In the Name of God

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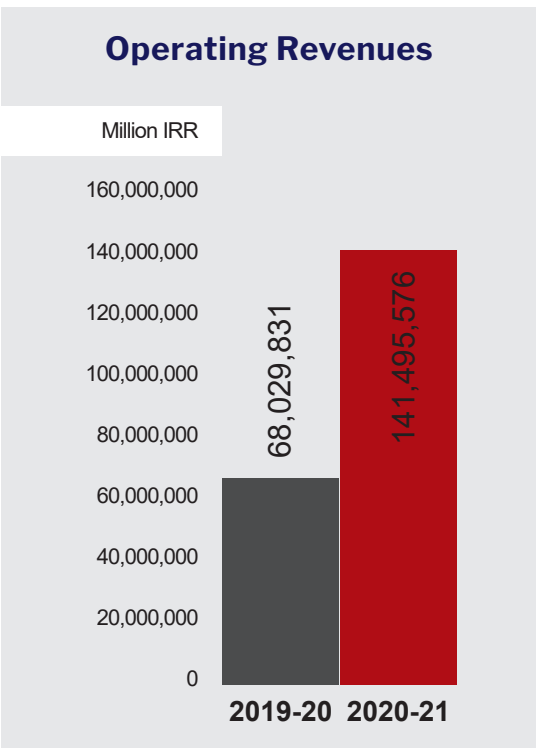
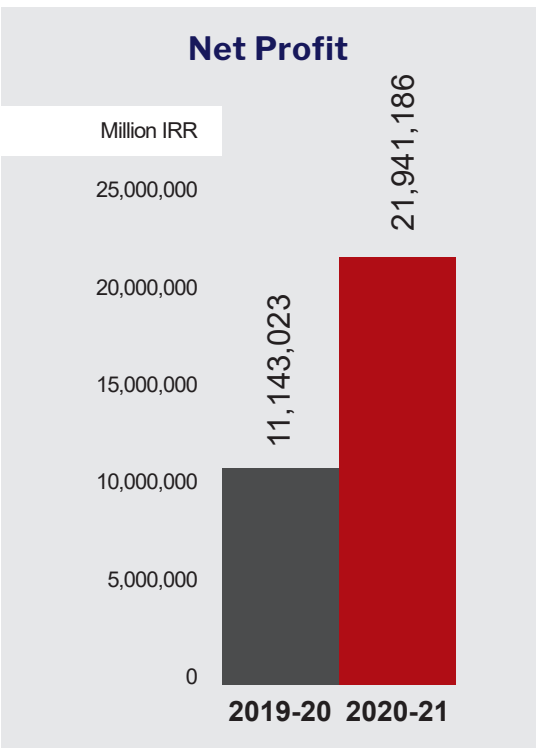
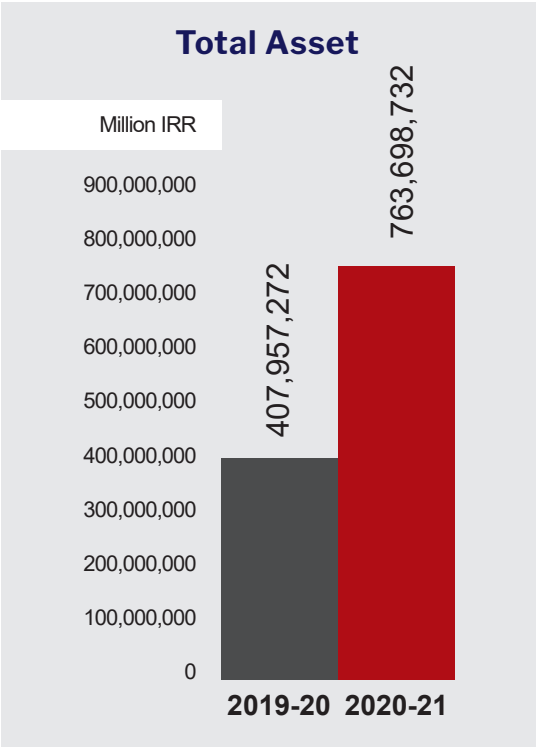
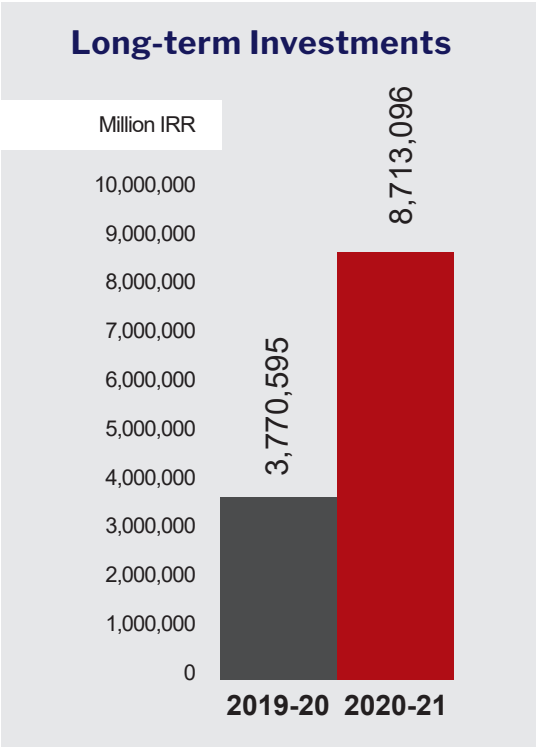
KEY FIGURES

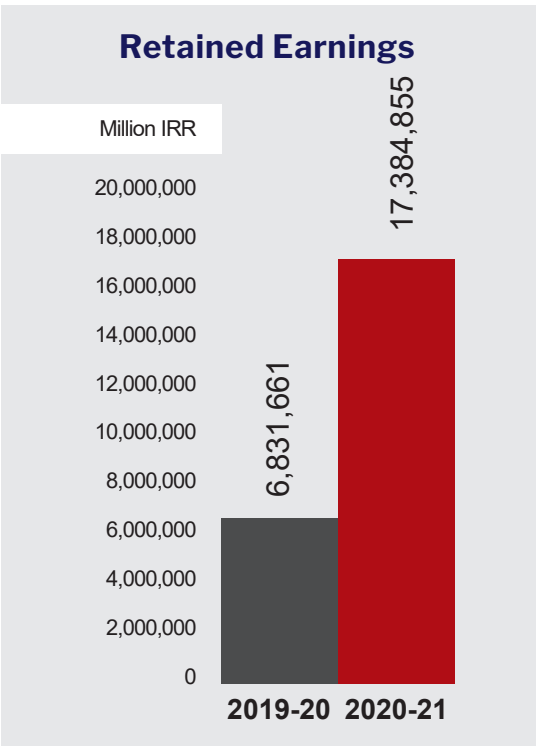
	2019-20 (Million IRR)	2020-21 (Million IRR)
Tangible Fixed Assets	343,678,548	618,808,019
Gross Profit	21,779,832	45,498,106
Operating Profit	19,995,325	42,414,987
Inventory of Goods & Materials	25,494,851	62,991,372

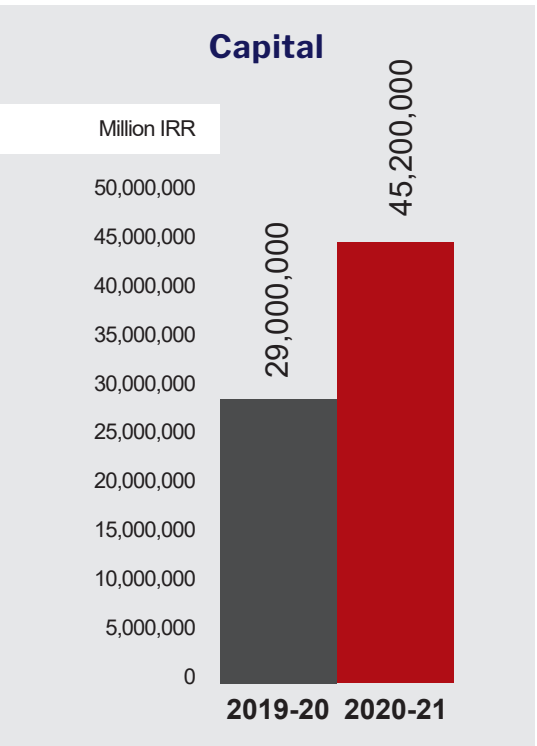












- The Company's fiscal year ends on March 20th.

CEO'S STATEMENT



Despite of existing economic and financial challenges and energy shortcoming in the country, as well as Covid pandemic effects, the Middle East Mines & Mineral Industries Development Holding Company (MIDHCO) was able to achieve its planned objectives for the year.

We are also glad that despite the above shortcoming, our projects progressed according to the schedule. In particular, the Copper Cathode Project, (based on tank bio leaching technology, the first in the world in industrial scale), Zarand Steel Plant, CDQ Plant (the first in the country with environment purposes), the largest mining machinery for extraction and transportation were commissioned and inaugurated by the President of the I.R.I. The commissioning of Butia Steel Making Plant is in process.

MIDRP (ERP) Project as well as the visual control network are implemented in most of our plants.

I am pleased to announce that MIDHCO successfully boosted its production, share value, market cap, sales, exports as well as EPS during the last fiscal year. MIDHCO is also recognized in the primary Capital Market.

Furthermore in recognition of its remarkable performance, MIDHCO was granted the National Excellence Award (EFQM based model) ranking as the first in the country and obtained a social responsibility award. MIDHCO was also recognized as the top company in productivity among mining and metallurgical industries in the country.

Referring to HSEC planning and performance, MIDHCO was also recognized as the top company in management of social responsibility by Iran Management Society. As a result, our subsidiaries were granted the construction of Kerman city sewage network and treatment plant. The project is in process.

Facing the coronavirus pandemic outbreak, MIDHCO is proud to have been able to protect its 21,000 staff (including contractor persons). This has been achieved by taking expeditious and intensive measures effectively.

With due consideration of the progress of our first development curve, we are planning the second curve by precisely analysing our ecosystem with sustainable development and considering the goals of the United Nation in this regard.

To conclude, I would like to express my deepest gratitude toward our honorable shareholders, our valued customers and other stakeholders for their faith and trust they have bestowed on our organization.

It is but certain, that only with the sincere dedication of our colleagues and wholehearted cooperation of our contractors these significant achievement were made attainable.



Aliasghar Pourmand

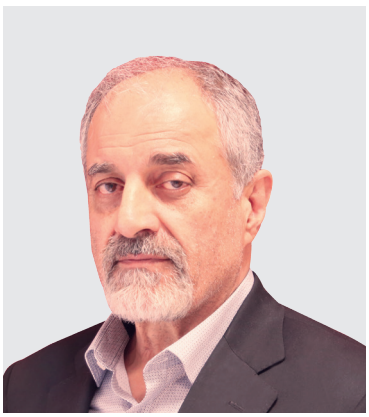
BOARD OF DIRECTORS



Dr. Majid Ghasemi
Chairman



Dr. Ali Asghar Pourmand
CEO & Vice-Chairman



Dr. Bahram Sobhani
Board Member



Ali Paalizdar
Board Member

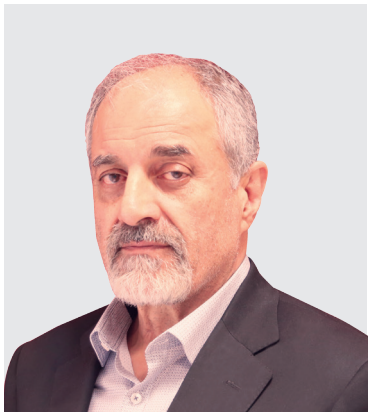


Reza Ashraf Semnani
Board Member

LEADERSHIP COMMITTEE



Ali Paalizdar



Dr. Bahram Sobhani



Dr. Ali Asghar Pourmand



Dr. Mehdi Safari



Reza Ashraf Semnani



Dr. Mohammad Ekram Jafari



Ali Yazdani



Hamid Ghanouni

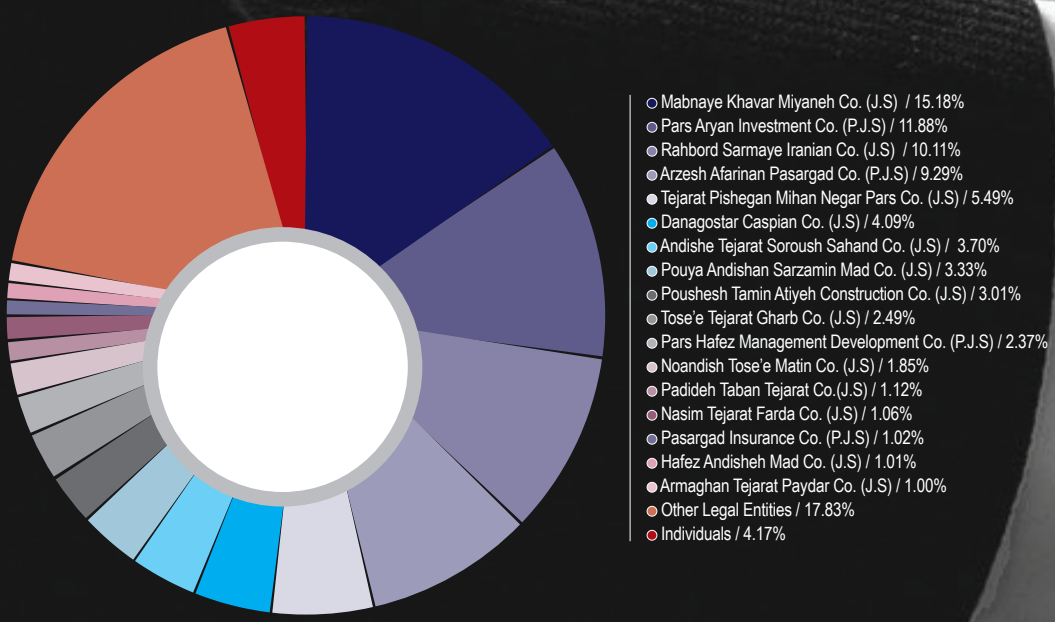


Mehdi Khandagh Abadi

SHAREHOLDERS' COMPOSITION

The following pie chart represents the composition of shareholders which are also large and reportable corporations, and have more than a one percent ownership stake in MIDHCO.

Composition of Shareholders (%)



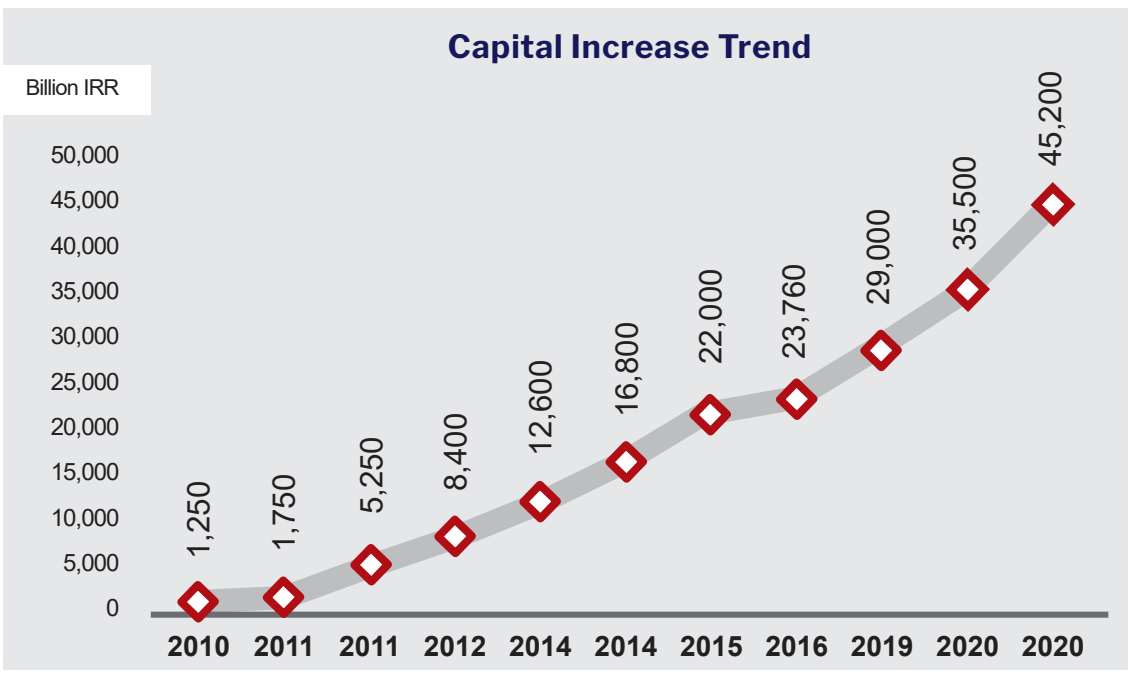


CAPITAL

MIDHCO commenced its operations with an initial capital of IRR1,000 billion. Since this holding company was established, its capital has increased on several occasions. Today, MIDHCO's capital increased to IRR45,200 billion.

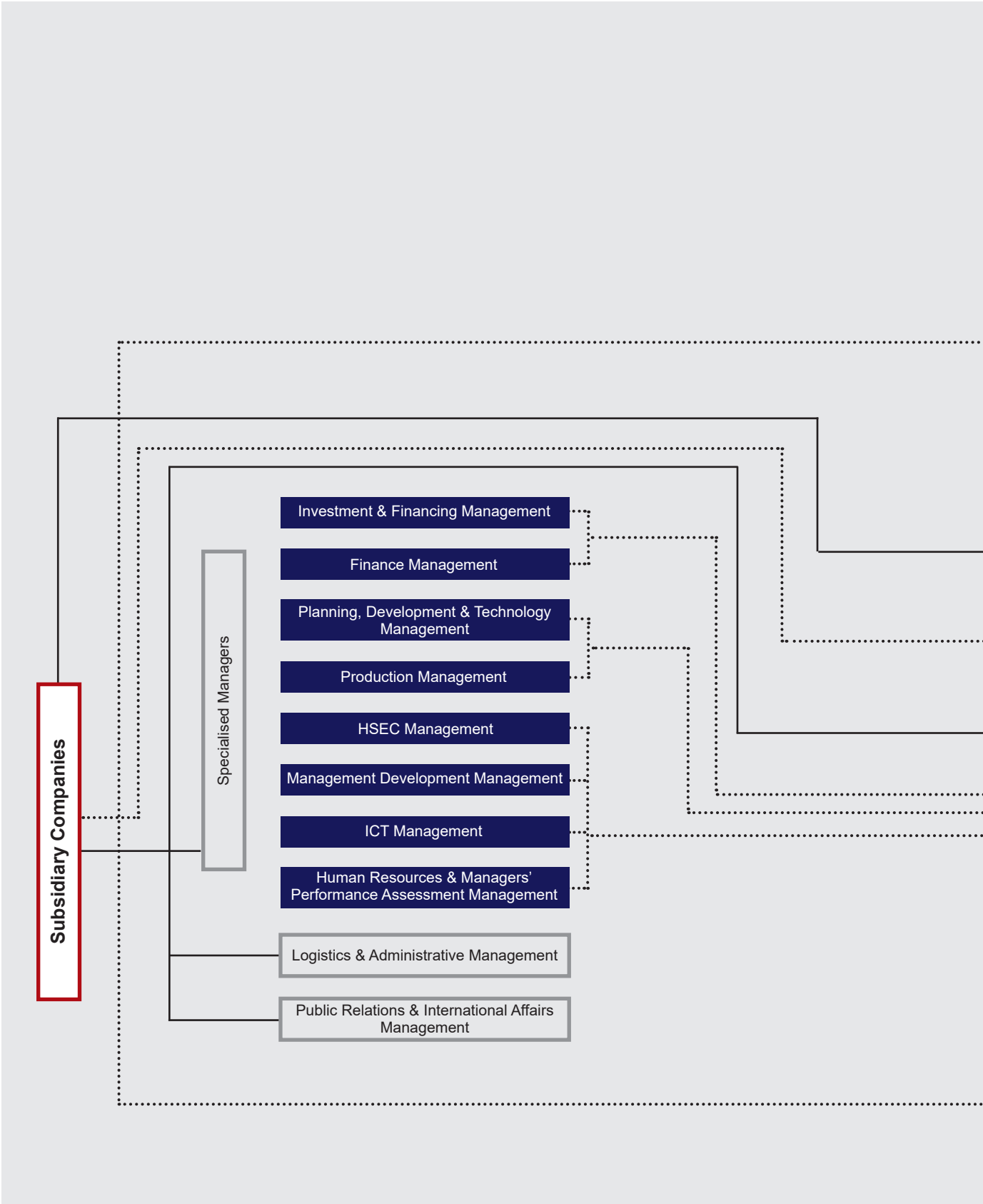
The following line chart demonstrates the capital increase trend of MIDHCO from 2010 to date:

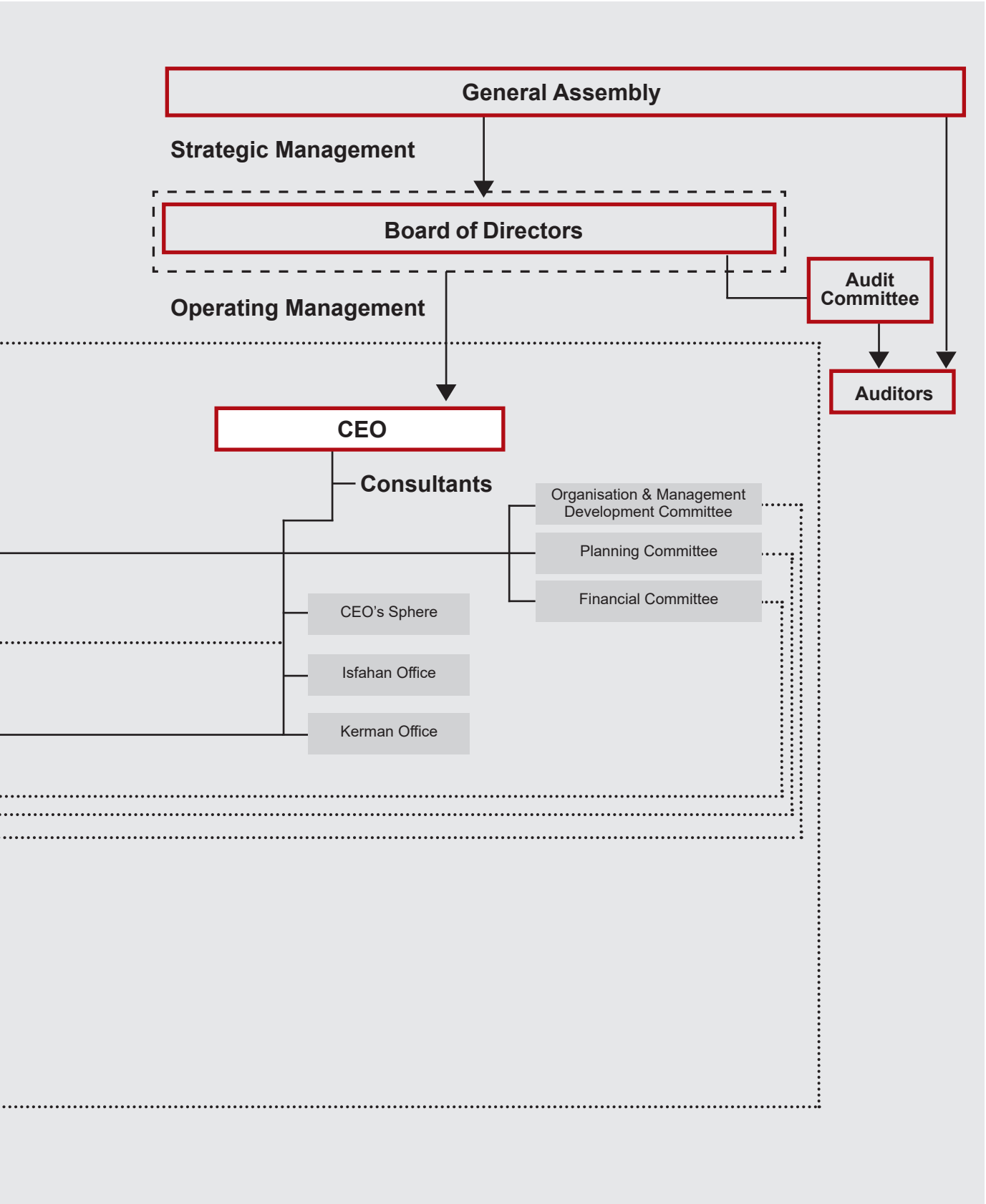






ORGANISATIONAL CHART




General Assembly
Strategic Management
Board of Directors
Audit Committee
Operating Management
Auditors
CEO
Consultants
Organisation & Management Development Committee
Planning Committee
Financial Committee
CEO's Sphere
Isfahan Office
Kerman Office

BACKGROUND & FIELDS OF ACTIVITY

Middle East Mines & Mineral Industries Development Holding Company (MIDHCO) was established in 2007 with the objective of developing Iran's mining and mining industrial sector and participating in the execution of Article 44 of the Iranian Constitution, which makes an emphasis on downsizing of the Government and encouraging the private sector to further participate in Iran's development.

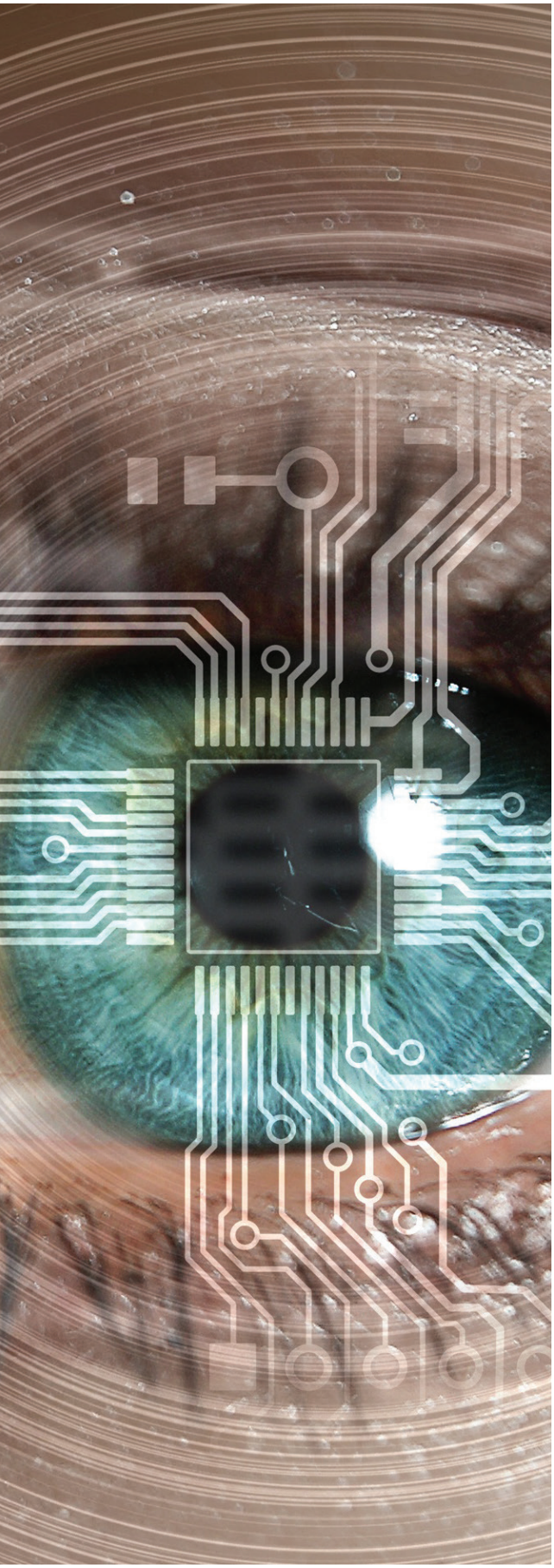
As a holding company, MIDHCO is involved in investing in companies, in which it is represented by at least one board member. These companies are essentially active in exploration, mining operations, mineral processing (including grinding, sorting, separating, while smelting and refining metals), chemical production and decorative building stone processing.

Furthermore, MIDHCO invests in companies that offer mining and mining industries related consulting, financial and economic, commercial, management and supervisory services, as well as companies which are involved in the development of production plants within Iran or overseas.

In addition to investing in other companies, this company is also engaged in many different activities, such as:

- Carrying out explorations for minerals and exploiting mines.
- Investing in the mining industries. Our investments cover areas such as purchasing, entering into partnerships, renting and selling of movable properties in the mining industries sector.
- Setting up a securities portfolio, funded from company assets.
- Market making of bonds on behalf of others as well as managing investment funds.
- Offering investment and risk management consulting services.
- Investing in mines and mining related industries relating to mine ore and production of metal and non-metal mineral concentrates. These industries may be in Iran or abroad.





MISSION

Our mission is to

- Generate sustainable and long-term wealth for our shareholders via developing mines and mining industries.
- Create a model for the development of Iran's mines and mining industries.
- Enhance our management and technological standards and boosting our share in Iran's gross domestic product (GDP).

VISION

Our vision is to become the top company in the mining and mining industrial sector within the Middle East region, while achieving world class performance.

OBJECTIVES

We aim to:

- Increase our shareholders' stock value.
- Achieve beneficiaries' satisfaction.
- Gain a world class ranking.

KEY STRATEGIES

Our main strategies include:

- Branding within Iran, the region and the world.
- Maximising the outcome from potentials of the financial institutions in Iran and abroad.
- Increasing our choice in financing (bonds, finance, credit facilities, barter, sales, etc.)
- Being a knowledge-based, progressing, learning and an agile organisation.
- Having a global outlook, being updated with the future in mind.
- Implementing professional management.
- Boosting our operations abroad (investing, engaging in partnerships, establishing mining and industrial units and asserting an active presence in the international markets).
- Adopting and being assessed on the basis of global models, standards and indexes.
- Concentrating on providing steel, copper and upstream products and boosting the variety of related services rendered.
- Concentrating our products to steel and copper industries while increasing their related services.
- Implementing a comprehensive and integrated process from initial idea to final products (A to Z), where value is gained from exploration stage to downstream industries.
- Developing technology and reducing finished cost via emphasising on innovation and hi-technology.
- Achieving sustainable development by complying with safety, health, environmental and social responsibility concerns.
- Paying a special attention to our human resources.

OUR FUTURE PLANS & TARGETS

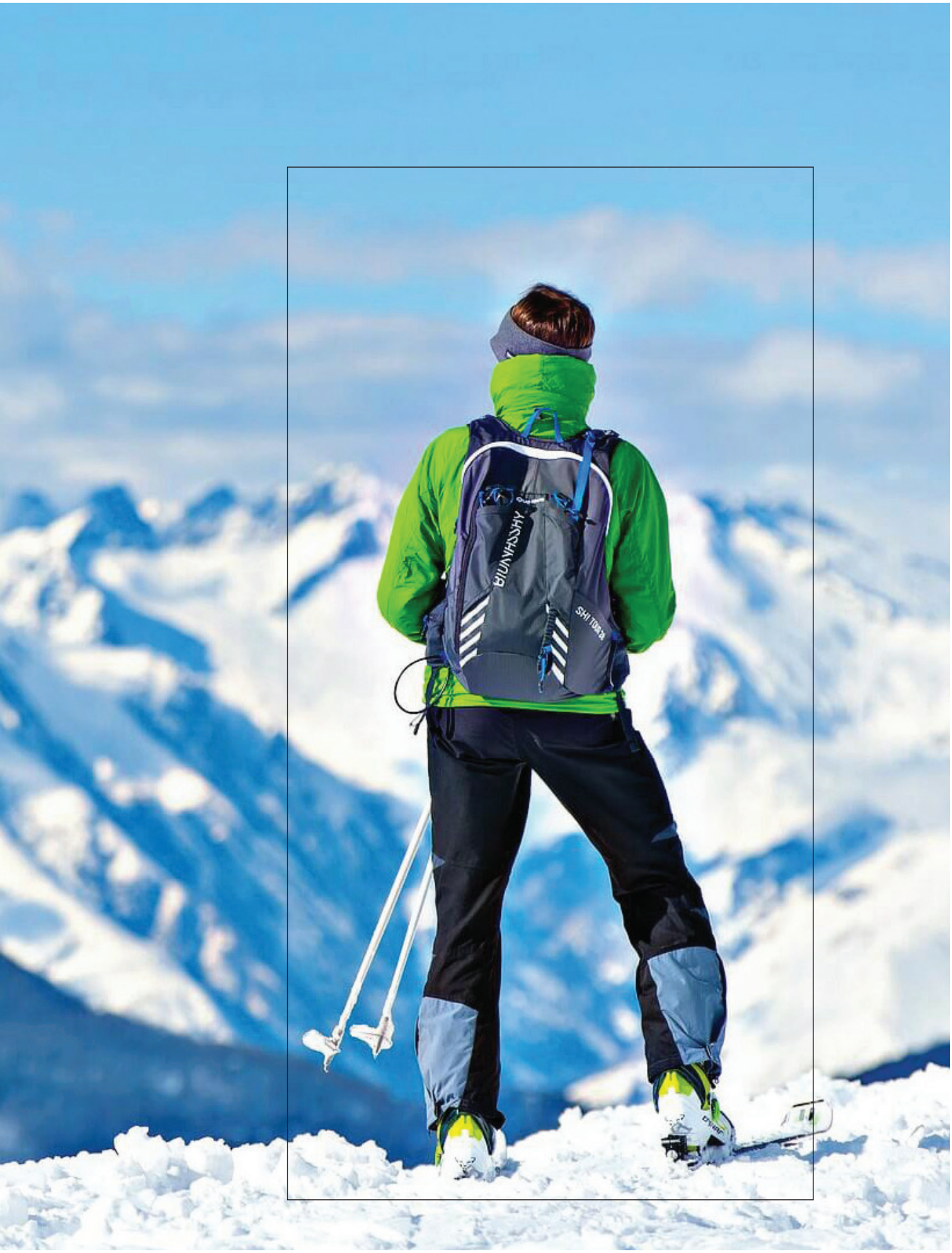
Overall Policies:
- To continue focusing on steel and copper production and exports.
- To further boost mining operations.

Production & Services:
- To manufacture 16.9 million tons of products including: 6.8 million tons of iron ore concentrate, 6.7 million tons of pellets, 800 thousand tons of sponge iron, 1.45 million tons of steel ingot, 432 thousand tons of coal concentrate, 400 thousand tons of metallurgical coke, 22 thousand tons of ferrosilicon, 15.5 thousand tons of copper cathode, 5 thousand tons of copper pipes and 336 thousand tons of lime and baked dolomite.
- To extract minerals and to strip mines by 110 million tons.
- To obtain at least 13.65 million tons of iron ore concentrate and pellet.
- To transport 23.7 million tons of raw and intermediary materials.
- To implement 78 service projects.

Projects:
- To implement and utilise the steel making projects of Iranian Butia Steel Company and a magnesium ingot production project.
- To further expand explorations.

Information Technology:
- To utilise Phase II of MIDRP.
- To conclude a number of projects such as Visual Supervision System and network infrastructure and data centres within some subsidiaries of MIDHCO.
- To establish a company that offers support and maintenance for MIDHCO's subsidiaries.

Management Systems
- To integrate the management of business processes (in line with MIDRP).
- To implement a number of environmental projects.
- To increase the number of personnel from 8,315 to over 11,000 employees.
- To offer 527 man/hours of training.
- To implement a roadmap to manage physical assets and to manage intellectual assets.
- To document lessons learnt from projects.
- To conform with international management standards and models.
- To further develop innovation and technological programs.


ARKSHA NIA

ACHIEVEMENTS

- EFQM Prizes:
  - Organisational Excellence National Silver Award
  - Four-Star Commendation (SISCO)
  - Four-Star Commendation (Pabdana Coal Preparation Company)
  - Two-Star Commendation (Ferro Silicon Gharb Pars Co.)
- Ranking 43 in IMI-100.
- Corporate Social Responsibility prizes awarded by Iran Management Association:
  - Silver Prize (MIDHCO)
  - Bronze Prize (BISCO)
  - Bronze Prize (SISCO)
  - Bronze Prize (ZISCO)
- Achieving highest export growth rate.
- MIDHCO's subsidiary companies were awarded the following prizes at the First International Conference on Knowledge Management:
  - Silver Prize (BISCO)
  - Silver Prize (SISCO).
  - Silver Prize (ZISCO)
  - Bronze Prize (MEMSECO)
  - Bronze Prize (Ferro Silicon Gharb Pars Co.)
  - Bronze Prize (Pabdana Coal Preparation Co.)
  - Bronze Prize (Iranian Industrial Development & Renovation Construction (MANA)
  - Bronze Prize (Ferro Silicon Gharb Pars Co.)
  - Bronze Prize (IBCCO)
  - Bronze Prize (MEMRADCO)

PRODUCTION TARGETS

Product	Capacity
Crude Steel	4.2 million Tons
Sponge Iron	3 million Tons
Iron Ore Pellet	7.5 Million Tons
Iron Ore Concentrate	8 Million Tons
Metallurgical Coke	1.2 Million Tons
Coal Concentrate	1.1 Million Tons
Copper Cathode	50 Thousand Tons
Copper Pipe	12 Thousand Tons
Ferro Silicon	24 Thousand Tons
Electrical Power	500 MW
Lime & Dolomite	400 Thousand Tons

PART I

Our Subsidiary Companies



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ZARAND IRANIAN STEEL COMPANY (ZISCO)



Background & Scope of Activities

This company which was established in 2008 manufactures billets and blooms and other steel products. The factories of this company are located in the Kerman Province which is in southeast Iran.

Net sales experienced a significant growth in 2020-21, reaching IRR45,905,141 million (previous year: IRR22,575,572 million). Operating profits also experienced a staggering growth, amounting to IRR13,918,058 million (previous year: IRR6,968,764 million). The capital of ZISCO, which is almost fully owned and controlled by MIDHCO, currently stands at IRR14,500 billion. The shareholders of ZISCO have approved and authorised the Board of Directors to increase the existing capital to reach IRR17,000 billion over the next five years. The scopes of activity of ZISCO according to its Articles of Association are as follows:

- Carrying out all kinds of contracting operations, including consulting and engineering services within Iran and overseas.
- Designing, equipping, exploring and exploiting mines.
- Establishing iron and steel plants.
- Establishing manufacturing plants of related industries as a means to further develop the steel industry.
- Steel making using various melt and casting operations.
- Engaging in trading activities. Investing in other companies.
- Engaging in any other activity that promotes company objectives.

Launched & Ongoing Projects

ZISCO's activities are categorised below:

A) Mines

i. Khomroud Coal Mine

This project includes launching a coal mine with capacity of 750 thousand tons and constructing a coal washing plant. The contract has been signed and the sum of IRR1,484,515 million has been invested in the engineering phase of this project.

ii. Jalal Abad Iron Ore Mine

The total capacity of this mine is 179.9 million tons, out of which 19 million tons has already been extracted.

B) Launching plants

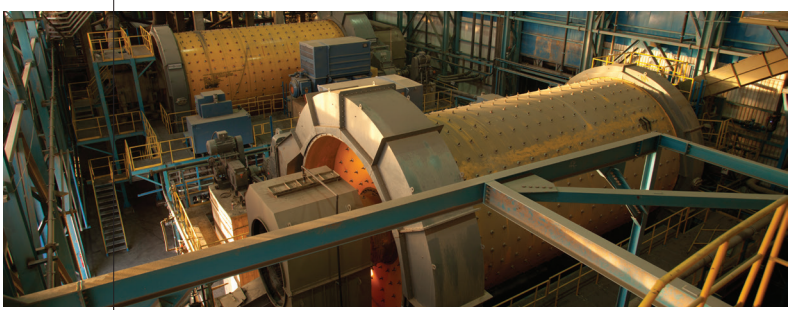
i. Iron Ore Concentrate Plant (capacity: 4 million tons/annum)

ii. Coke Making Plant (capacity: 1.2 million tons/annum)

iii. Pelletising Plant (capacity 2.5 million tons/annum)
iv. Pabdana Coal Washing Plant (capacity: 475 thousand tons/annum)

C) Implementing projects

i. Steel Making Plant with a capacity of 1.7 million tons/annum: This project has experienced a 94.6% of physical progress and is in the course of utilisation.
ii. CDQ Project: The physical progress is 96.87% and it is in the course of utilisation. The contract sum amounts to EUR31,750,000.
Other projects include Steelmaking Treatment Plant, Dewatering Unit in Concentrate and Pelletising Unit (physical progress: 45.94%), Drier in Concentrate and Pelletising Complex (physical progress: 44.42%), expansion project of Tar Plant of Coke Making (physical progress: 0.06%).





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SIRJAN IRANIAN STEEL COMPANY (SISCO)



Background & Scope of Activities

This company which was established in 2009, is engaged in launching steel mills and their related units for the purpose of manufacturing all kinds of standardised geometrical steel products. Almost all of its shares are owned by MIDHCO. The capital of SISCO currently stands at IRR11,000 billion.

Launched & Ongoing Projects

Direct Reduction Project (capacity: 1 million ton/annum)
This unit manufactures sponge iron with a grade of at least 65% (1.2 million tons/annum), and calcined lime with a grade of at least 85% (4,000 tons/annum).

Steel Mill Project (capacity: 1 million ton/annum)
This project which is composed of melt and a continuous casting unit is equipped with an electric arc furnace (EAF). During the reporting period, the production volume of this plant was 631,881 tons.

Golgohar Iron Ore Mine 2
The total capacity of this mine is 37 million tons.
Golgohar Iron Ore Mine 4
The total capacity of this mine is 73 million tons.
Golgohar Iron Ore Mine 6
The total capacity of this mine is 76 million tons.

Phase I Iron Ore Concentrate Project (capacity: 2 million tons/annum)
This project was launched in 2012.

Phase II Iron Ore Concentrate Project (capacity: 2 million tons/annum)
This plant was commissioned in March 2016.

The produced concentrate supplies mainly pelletising plants and the extra volume is sold to other companies. During the reporting period, the total concentrate produced by both phases was 3,094,559 tons.

Pelletising Project (capacity: 2.5 million tons/annum)
This project was launched in 22.10.2016.

Re-crushing Project (capacity: 2.5 million tons/annum)
The project was fully utilised on 30.01.2018.

SISCO's Performance

During the reporting year, SISCO exported USD101,682,387 worth of products, indicating a staggering growth compared to previous

year (USD33,635,518). Domestic sales also experienced a significant growth of 100%, reaching IRR52,381,974 million (previous year: IRR25,946,075 million).

Operating profit of this company amounted to IRR23,404,876 million (previous year: IRR10,717,459 million). In addition, the Company's gross profit amounted to IRR24,136,751 million (previous year: 11,136,772 million) during the reporting period.

During 2019-2020, SISCO extracted 3 million tons of iron ore concentrate and produced 2.3 million tons of iron ore pellet. The Company also manufactured 760 thousand tons of iron ore and over 630 thousand tons of billet.

Due to its outstanding performance, SISCO was granted many prizes and some of which include the four-star prize of Organisational Excellence by the Industrial Management Institute. SISCO also was granted some prizes for its outstanding performance in social responsibility, HSE, knowledge management. SISO also ranked 82 among top 100 Iranian companies by the Industrial Management Institute (IMI-100).





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BUTIA IRANIAN STEEL COMPANY (BISCO)



Background & Scope of Activities

This company is engaged in launching steel making plants along with their related units as well as power plants which are aimed at supporting Iran's mining and mineral industries. Butia Iranian Steel Company is also involved in other related activities such as exploration, trading operations etc. The capital of this company which has undergone several increases currently stands at IRR10,580 billion and almost all of its shares are owned by MIDHCO and the remainder is controlled by its subsidiaries.

Launched & Ongoing Projects

Pelletising Plant (capacity: 2.5 million tons/ annum)

Construction work on this plant began in 2012. Once launched, it shall produce pellets using the HYL method. The capacity of production is 1.5 million tons of billet and 2 million tons of sponge iron per annum.

Steel Making & Reduction Plant (capacity: 1.5 million tons/annum)

This plant shall be equipped with a direct reduction unit and an electric arc furnace. Main products of this plant shall be blooms and billets. Physical progress is currently 54.27%.

A two-year usance amounting to EUR46.7 million were issued to finance supplying equipment and the sum of CNY4.77 billion is going to be received from the National Development Fund.

Combined Cycle Power Plant (capacity: 450 MW)

Operations relating to designing, engineering, supplying equipment, construction and installation will be finished by September 2021. This plant has experienced a 41.1% physical progress so far.

Concentrate Project (capacity: 2.5 million tons/annum)

To implement this project some environmental and legal permits were obtained. In addition, some foreign companies have applied and submitted their request to implement this project via EPC contract.

Some infrastructure projects are wastewater treatment plant, access road and gas transfer line all of which are required to implement the above projects.





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IRANIAN BABAK COPPER COMPANY (IBCCO)



Background & Scope of Activities

IBCCO is a major player in Iran's copper processing industry and specialises in launching and utilising of copper processing plants. This company is mainly owned by MIDHCO and its remaining few shares belong to MIDHCO's subsidiaries. This company is essentially engaged in all downstream and upstream copper production related activities, some of which include: copper mine exploitation; mineral processing of small and medium size copper mines, establishment of copper plants, including cathode production; setting up downstream copper plants for producing copper products such as pipe and tubes, copper wire and rods, foils, profiles, etc.; imports and exports of goods, equipment and machinery required for copper related projects as well as technical supervision, management and commercial activities in the above-mentioned fields. Net sale of the Company amounted to IRR6,790 billion while its net profit reached IRR40 billion. IBCCO's capital currently stands at IRR4,000 billion.

Projects

Copper Cathode Project (capacity: 50 thousand tons/annum)

The Company has captured 3% of domestic copper cathode market share. IBBCCO's exports volume pf copper cathode reached 242 tons and its production was 6,509 tons.

Copper Tube Production Plant (capacity: 12 thousand tons/annum)

This plant aims to produce copper pipes and tubes via using up-cast technology and ASMAG equipment and other products shall also be produced in the following phase. Products are manufactured in three forms of LWC, pancake and straight.

During the reporting period, 2,466 tons of copper tubes were manufactured and 2,736 tons were sold.

In addition to the above projects, the Copper Beneficiation Plant is under construction via partnership of IBCCO and National Iranian Copper Industries Company. The project has experienced a 29% physical progress so far and shall be utilised in 2024.





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MIDDLE EAST MEYARE SANAT ENGINEERING COMPANY (MEMSECO)



Background & Scope of Activities

Established in 2010, MEMSECO is an engineering company which offers a wide range of engineering and consulting services specialising in process and equipment design, basic engineering, contract and tender documents preparation, tender organization, project control, supervision, quality control, technology transfer management, documentation, developing the purchased technologies, project management as well as service management. The mentioned service management is carried out in: legal, commercial, financial engineering, system management, information technology, information banks, planning and management systems, consulting services, partnerships, joint cooperation with foreign counterparts, efficiency and industrial engineering, risk management, energy and environmental fields. MEMSECO's capital, which is almost fully owned by MIDHCO, currently stands at IRR60 billion. The main mission of this company is to provide high quality design, engineering, equipment supply and supervisory services. Operating profits of MEMSECO reached IRR75,659 million, whereas net profits reached IRR58,366 million at the end of the reporting period.

Since establishment, MEMSECO has implemented 36 projects.

Ongoing Projects

Project	Total Income (Million IRR)
Chahfirooz Copper Mine	680
Butia Power Plant	34,830
Hamila Building	45,201
Zarand Steel	108,554
Kerman-Butia Sewage	22,549
Mehdiabad Lead & Zinc	11,558
Parvardeh Tabs Coal Flowsheeting Process	4,959
Zarand Power Station (33 KV)	20,655
East Parvadeh Coal Mine (Zone 5)	27,120
Butia Buildings	8,453
Document Preparation for International Tender of Blocks 2 & 3 Project	2,671
Songoun Copper	18,904
Sangan iron Ore Concentrate	606,802
Bardsir Steel Making & Direct Reduction	21,391
Copper Cathode	32,266
Chah Firooz Copper Plant	104,089

In addition, MEMSECO offered four engineering consulting services in 2020-21.





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IRANIAN INDUSTRIES CONSTRUCTION & DEVELOPMENT COMPANY (MANA)



Background & Scope of Activities

MANA Co. which is a general contractor and an investor specialises in carrying out civil and industrial projects, which may be executed in the form of EPC or DB. So far, MANA Co. has displayed an excellent track record in the construction of large industrial buildings (including steel rolling mills, machine manufacturing factories, sugar factories, power stations etc.), dams, drainage systems, marine construction related projects, roads, tunnels and bridges etc.

In order to industrialise its construction processes, MANA Co. established a workshop that would produce precast concrete walls, building foundations as well as other similar products in 1985. Later by 2009 MANA Co. decided to bring its production of precast concrete products under the umbrella of a newly established subsidiary company, known as MANASAZ Company. Due to its autonomy and efficiency MANASAZ would guarantee its parent company the supply of required precast concrete products.

Although this company commenced its operations with IRR20 million capital, it currently operates with a capital of IRR1,000 billions. The Company aims to increase its capital to IRR3,000 billion in future. Total income amounted to IRR9,224,492 million (previous year: IRR7,059,817 million). MIDHCO owns over to 95% of this company.

Projects

Some of its utilised projects include:

A. Commissioned Projects

The New Parliament (Majlis) Building

This building which is considered to be one of Iran's landmarks and a national project, has a substructure of 26,500 square meters.

Ministry of Energy Headquarters Building

This prestigious 16 storey building, which has a substructure of 50,000 square meters, houses the headquarters of Iran's Ministry of Energy.

Construction of the Surrounding Buildings of Imam Reza's Holy Shrine

This mega project which is implemented in a 57 hecter plot of land surrounding Imam Reza's Holy Shrine, is located in the city of Mashhad. This project emails several buildings including a courtyard, an office building and a religious school, with a total substructure measuring 18,000 square meters.




320LC-7

Shiraz Stadium
Monenco Company Central Building
This 16 storey building has a substructure measuring 16,000 square meters

Omid Commercial, Administrative Complex
This complex which has a substructure measuring 26,000 square meters has 27 floors. The important characteristic of this building is that it is supported by both steel and concrete structures. Consequently, this project has been recognised by the relevant authorities as the superior steel structure of the year.

Bank Saderat Iran Mashhad Building
This building has been constructed in 18 floors and with a substructure measuring 40,000 square meters.

Faraz Administrative, Commercial Complex
This 17 storey building has a substructure of 21,000 square meters.

Arak Aluminium Plant (capacity 110,000 tons/annum)
MANA has been awarded a contract to construct the extension of the above aluminium plant. This project is a clear demonstration of MANA's ability to implement the construction of mega industrial projects.

Jalal Abad Concentrate Plant
The implementation of this project has been awarded to MANA by Iranian Zarand Steel Company (MANA's sister company). This plant is to have an annual capacity of 2 million tons.

In addition, during the reporting period, some other projects were utilised including Butia Lime & Dolomite, Butia Steel Civil & Installations Repair, Bafgh Sechahoon Pellet, Sangan Landscape & Road, Golgohar Mine 6, Sangan Steel Eastern Gate, Crusher Foundation & Platform Songon, Sangan Concentrate, Tabas Coal Washing, Sangan Iron Ore Concentrate, Sangan Iron Ore Concentrate and Qom Hospital.

B. Ongoing Projects

Project	Contract Sum (Million IRR)	Physical Progress (%)
Butia Steel Complex	3,889,060	95
Golgohar Steel	2,699,950	64
Butia Steel Power Plant	7,513,260	25
Kerman Town Wastewater treatment Plant	8,130,948	33
Zarand Wastewater Collection Network	2,155,536	50
Butia Steel Contract	2,750,000	60
Aghileh Motor House	171,659	3
Purchasing Equipment Contract	350,000	-
Kazemein Court Construction	77,000	-
Steel Making & Direct reduction Unit	11,000,000	22
Expansion Project of Zarand Tar Refinery	50,000	55
Chahmoosa Copper Plant	120,000	76
Total	**38,907,413**	**-**

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GMI PROJECTS LTD



Background & Scope of Activities:

Established in Germany in 2010 and in cooperation with its partners in European countries especially in Germany, South Korea, China, Malaysia and Turkey is active in the Middle East, GMI Projects Ltd. specialises in offering engineering services such as basic and detailed engineering design, engineering design process, training of commissioning, installation, operation, projects control etc. GMI has been setup to support MIDHCO by importing and supplying raw material, engineering, offering, design services, providing information of European manufacturers, obtaining agencies from reputable of companies and investing abroad. The capital of this company currently stands at EUR100 thousand. Furthermore, GMI Projects Hamburg Ltd. is involved in financing activities including raising funds from financial and credit institutions. This company also carries out commercial activities including exports of, copper concentrate, imports of steel products such as billets and equipment and spare parts for steel, copper, and aluminium plants. Finally, GMI Ltd. takes part in tenders for constructing aluminium plants, engages into EPC Contracts in mining and industrial sectors whilst also making direct investments in the said sectors. In short, GMI Ltd. is active in the following business fields:

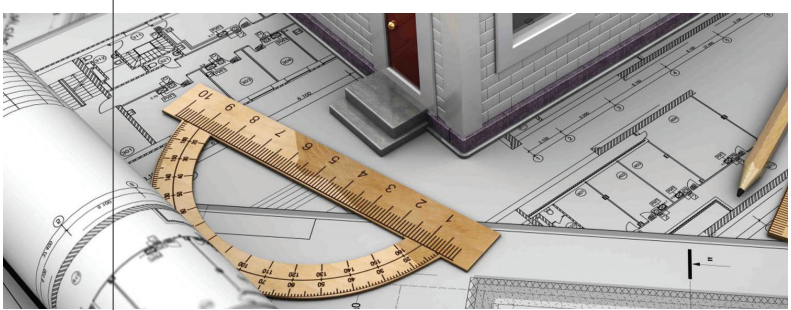
- Transfer of technology from Germany and other European countries to the Middle East.
- Managing projects in steel and copper industries on Turn-Key basis.
- Execution of engineering, procurement and construction as separately or wholly (EPC) in mining and steel making sectors.
- Export and import of raw materials and steel products.
- Providing financial services including supply of resources.
- Investment in mining sector.

Projects

This company which is fully owned by MIDHCO is currently engaged in the following projects:

Project	Contract Sum	Progress (%)
Zarand Coke Dry Quenching Plant (CDQ) & Power Plant	EUR33,115,935	97
Sangan Iron Ore Concentrate Plant	EUR140,264,961 + IRR3,631,268,800,000	99.8
Nitrogen Production & Storage	EUR1,319,820	100
Zarand Steel Concentrate Dryer Unit	EUR5,505,755	35.23

The Company is also engaged in offering corresponding services to supply equipment of Chah Firooz Copper Plant. The contract sum of the project amounts to EUR40 million. During the reporting fiscal year, commercial activities of the Company (including supplying equipment and spare parts) amounted to EUR18.1 million and its total income amounted to EUR3,555,550 while its net profit of the Company reached EUR482,411.





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FERRO SILICON GHARB PARS COMPANY (FESICO)



Background & Scope of Activities:

This company launches ferro alloy plants and their related units and carries out all commercial activities relating mining industries in addition to manufacturing 22,387 tons of ferro silicon (slightly above plan) and 32,480 tons of micro silica (slightly above plan) during the reporting financial period. Total sales amounted to IRR2,730,909 million (IRR1,856,051 million in the previous year) during the same period.

The capital of this company which is fully owned by MIDHCO's subsidiary companies, currently stands at IRR600 billion.

Projects:

Phase I Ferro Silicon Plant (capacity: 12 thousand tons/annum)
Construction work on this plant began in 2011 and has already been completed. This plant is equipped with a submerge electric arc furnace. The products of this plant feed the steel making unit.

Phase II Ferro Silicon Plant (capacity 12 thousand tons/annum)
This project which is expected to double FESICO's total production output was utilised in May 2018.

Magnesium Ingot Production Plant (capacity: 6 thousand tons/annum)
This project which is currently at its early stages requires IRR2,494,076 million of investment and shall produce non-alloy magnesium. The project has so far experienced a 33.06% of physical progress.





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MIDDLE EAST SHINING SUN COMMERCIAL COMPANY (MESCO)



Background & Scope of Activities

Established in 2008, MESCO specialises and invests in minerals and mining industries, trading activities and in offering commercial and consulting services. This company also specialises in imports and exports of minerals, metal products and foodstuff. In addition, MESCO is active in acquiring agencies for distribution of commodities within Iran and overseas. This company also performs excavation, exploration and exploitations of mines and processes mineral products. Net income of this company during the reporting fiscal period amounted to IRR739,784 million, indicating a staggering growth compared to previous fiscal year (IRR251,860 million). The capital of this company is currently IRR100,000 million.

During the reporting period, net profit of the Company amounted to IRR7,327 million and total domestic commercial activities of the Company amounted to IRR739,783,495,440.




Index
1.56

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MIDDLE EAST MINES RECONSTRUCTION AND DEVELOPMENT (MEMRADCO)



Background & Scope of Activities

This company which was formed in 2012 is essentially specialised in carrying out integrated mining operations. The primary focus of this company is mining iron ore, copper and coal. The main idea is to supply upstream mining industries with the raw material. This company is almost fully owned by MIDHCO and the remainder of its shares are owned by MIDHCO's subsidiaries.

MEMRADCO's main objectives include: becoming a well-known supplier of minerals, obtaining agencies from foreign manufacturers of mining machinery and equipment as well as penetrating the market of mining machinery and equipment. During the reporting financial period, this company enjoyed a considerable growth for operating revenues amounting to IRR1,580,442 million, a staggering growth compared to the IRR274,286 million in the previous year.

The capital of MEMRADCO stands at IRR1,000 billion and its scope of activities are stated below:

- Investing in, buying and selling mines and mining industrial units within Iran and abroad.
- Carrying out trading activities including procuring, supplying, buying and selling, offering trading services, importing and exporting all sorts of mining related items including machinery, both domestically and overseas.
- Manufacturing minerals and mining products
- Offering specialized mining consulting services.
- Obtaining agencies from mineral manufacturers and their related industries within Iran and abroad.
- Establishing agencies and branches throughout the country.

Projects:

Coal Concentrate Project (capacity: 500 thousand tons/annum)

This project which has so far experienced a progress close to 98.11%, is to supply feed to MIDHCO's coke making plant. The output of the project was 42,064 tons during the reporting period. The sum of IRR784,774 million is the amount of selling coal concentrate in 2020-21.

Lime & Dolomite Plant (capacity: 1,200 tons/day)

This project which entails three different units is to be constructed on the site of Butia Iranian Steel Company plant. This project shall also supply ZISCO and SISCO. This plant has so far experienced a 97.57% physical progress. The

output of Furnace 1 and 2 which were launched in 2020-21 was 163,141 tons. The plant sold IRR332,421 million worth of lime in 2020-21.

Copper Cathode Project (capacity: 500 tons/annum)
This plant produced 475 tons of copper cathode. Its expansion project requires IRR430 billion and shall double the current production capacity to reach 1,000 tons/annum. During the reporting period, the plant sold IRR453,948 million of copper cathode.

MEMRADCO also sold 29,154 tons of limestone worth to IRR9,299 million in 2020-21.





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MIDDLE EAST INDUSTRY EFFICIENT PRODUCTION COMPANY (MIEPCO)



Background & Scope of Activities

MIEPCO is a mining company which was established in 2010. Its operations include exploration and exploitation; transportation of mineral and industrial products; dam construction; exporting and importing of mining material; exporting technical and engineering services relating to mines and mining industries; planning and maintaining for mining machinery and related plants; mines and mineral processing of mining material plants management as well as planning the human resource structure. This company is almost fully owned by MIDHCO's subsidiaries. Net profit of this company enjoyed a considerable rise (300%) during the reporting period, reaching IRR174,962 million (previous year: IRR43,664 million), while its sales value enjoyed a 136% increase, reaching IRR4,546,116 million (previous year: IRR1,929,480 million). The capital of MIEPCO currently stands at IRR232,000 million.

Projects

Jalalabad Mine: Total income earned by this project amounts to IRR3,487,394 million.
Sarcheshmeh Copper Mine: Total income earned by the company in this project amounts to IRR101,595 million.
Golgohar Mine: Total income: IRR957,127 million.

Background & Scope of Activities

MIDHCO has established a representative office in China. This office assists MIDHCO with imports and exports of steel products, minerals, raw material required by factories; obtaining agencies from reputable foreign companies in various fields of mining and mining industries; offering financial services such as finance as well as fund management. The capital of WMI is CNY1,200,000. During the period under review, total income amounted to CNY454,928,845 (previous year: CNY82,066,132) and its net profit reached CNY6,177,534 (previous year: CNY3,130,003) in 2020-21, all of which show the outstanding financial performance of the this company.

The main objectives of this office are to:

- Act as a coordinator between the representatives of MIDHCO's subsidiary companies and their Chinese and international counterparts.
- Make the necessary arrangements in order to ensure that contracts between MIDHCO and its subsidiary companies with their foreign counterparts are signed on time.
- Coordinate meetings between MIDHCO's directors and their Chinese counterparts.
- Pursue bilateral investment opportunities such as buyback or finance between MIDHCO and its subsidiary companies and Chinese companies and to endeavour towards creating new investment opportunities in Iran.
- Carry out handle formalities relating to commercial negotiations between the Chinese companies and MIDHCO and its subsidiary companies.
- Initiate technological, scientific and educational opportunities for MIDHCO's personnel.
- Promote MIDHCO's brand as an international mining and industrial company within the Chinese industrial communities.
- Market MIDHCO's and its subsidiary companies' products and services in China.
- Carry out all other assignments set forth by MIDHCO's managing director.

Projects

Magnesium Production Plant: Total contract sum of this project which has experienced a 31.73% of physical progress amounts to CNY44,251,853.

Dewatering Project: This project has experienced a 96% physical progress and its contract sum amounts to CNY21,100 thousand. WMI has implemented this project in partnership with Sino Steel Equipment and Engineering Company.

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WORLD MINING INDUSTRY COMPANY LTD (WMI)



Gyro Crusher: Total contract value is CNY18,393,604 and this project has experienced a 50% of physical progress so far and is being implemented in partnership with Sanalmd Company and MIEPCO.

Drilling Machineries Equipment: The project has been fully launched and its total contract sum amounts to CNY11,714,907. Sunward Company is partnered with MIEPCO to supply equipment this project.

Mining Machineries Supply: The project has reached a 57.14% physical progress and total investment amounts to USD119,911,361.

HPGR Roles Equipment: This project which is worth CNY12,402,602 project has already been fully utilised.

Karbala and Najaf Rolling Projects: Total contract sum of both projects amount to USD25 million.

PART II

PERFORMANCE



CORPORATE SOCIAL RESPONSIBILITIES



Corporate social responsibilities are a set of policies and measures, legal requirement and commitments and limitations organisations have, in favour of their beneficiaries. Credited organisations that hold themselves accountable to the public, ensure that their performance and operations are transparent and that they remain true to their values and commitments to society. Fulfilling social responsibilities is beneficial to both organisations and their beneficiaries.

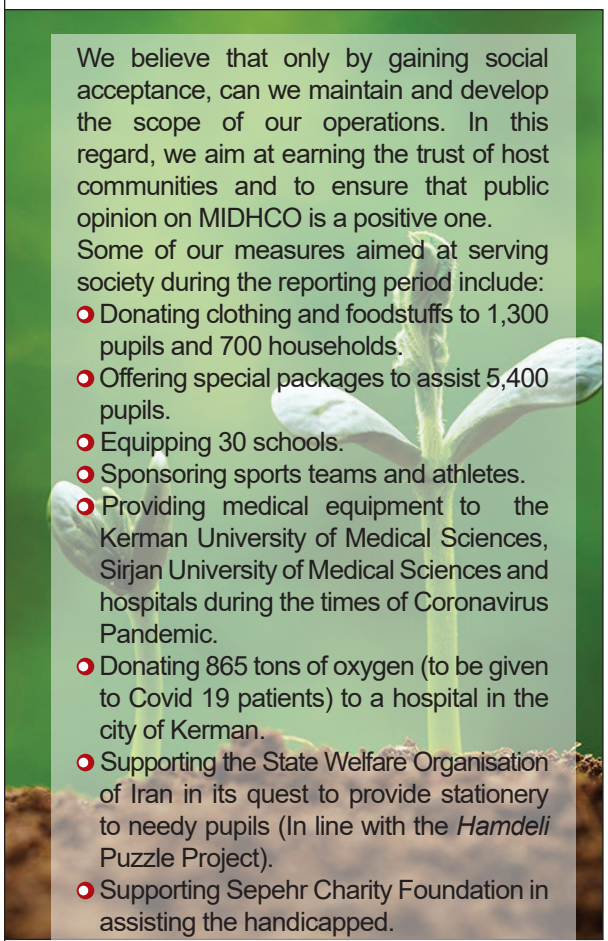
In this regard, at MIDHCO, we consider our social responsibilities and commitments to our beneficiaries of utmost importance. Hence, and we have included social responsibilities in our comprehensive management system. For us, sustainable development should be achieved whilst taking into account economic, social and environmental concerns of host societies. One of our eleven strategies in reference with sustainable development is conforming to safety, hygiene, environmental and social responsibility issues. We have divided our social responsibilities into four main categories which are stated below:

1. Sustainable development:
we aim to accomplish sustainable development by identifying socials and economic opportunities. We aim to achieve this goal whilst respecting other internal and external issues (such as the environment) and host societies from which MIDHCO has emerged and thrived.

2. Moral Responsibilities:
our approach in this regard is to ensure of justice, transparency in our performance, combat corruption, respect other beliefs, and respecting our beneficiaries.

3. Creating value for host communities: in addition to generating wealth for our shareholders and our commercial partners, we aim to be useful by creating value for the communities in which we operate.

4. Social acceptance:
we endeavour to be accepted and recognised by our beneficiaries, especially the host communities in our subsidiaries operate.



We believe that only by gaining social acceptance, can we maintain and develop the scope of our operations. In this regard, we aim at earning the trust of host communities and to ensure that public opinion on MIDHCO is a positive one.
Some of our measures aimed at serving society during the reporting period include:

- Donating clothing and foodstuffs to 1,300 pupils and 700 households.
- Offering special packages to assist 5,400 pupils.
- Equipping 30 schools.
- Sponsoring sports teams and athletes.
- Providing medical equipment to the Kerman University of Medical Sciences, Sirjan University of Medical Sciences and hospitals during the times of Coronavirus Pandemic.
- Donating 865 tons of oxygen (to be given to Covid 19 patients) to a hospital in the city of Kerman.
- Supporting the State Welfare Organisation of Iran in its quest to provide stationery to needy pupils (In line with the *Hamdeli* Puzzle Project).
- Supporting Sepehr Charity Foundation in assisting the handicapped.
- Making the roads connecting to Zarand Town safer for drivers.
- Implementing social responsibility systems throughout MIDHCO's subsidiaries.

Prizes and Commendations

As a result of the above measures in serving society, we have been awarded a number of prizes and commendations from various authorities, some of which are stated below:

- Earning the highest social responsibility management scores (in the years between 2016-17 until 2020-21) from Iran Management Association.
- MIDHCO's subsidiaries (Zarand Iranian Steel, Sirjan Iranian Steel and Butia Iranian Steel Companies) being awarded the Fifth Bronze Social Responsibility Prizes.

MANAGEMENT DEVELOPMENT

Knowledge Management

- Registering 490 lessons learned and 100 documents within the Knowledge Management Database.
- Implementing a knowledge management structure within 9 subsidiaries of MIDHCO.
- Implementing knowledge management in ZISCO and SISCO.
- Nine subsidiaries of MIDHCO being awarded at the Third International Knowledge Management Conference.
- Managing intellectual assets.
- Documenting lessons learned of projects and experts' experiences.

Management Systems

- To integrate the management of business processes (in line with MIDRP).
- Maintaining the IMS Certificates of MIDHCO's headquarters and its subsidiaries (ISO 9001:2015 Quality Management Certificate, ISO 14001:2015 Environmental Management Certificate, ISO 45001:2018 Occupational Health & Safety Management System Certificate).
- Implementing ISO 50001:2018 Energy Management Standard and ISO 17025:2017 Laboratory Management Standard (BISCO).
- Maintaining the ISO 17025:2017 Laboratory Management Standard and ISO 30401:2018 Knowledge Management Standard and ISO 50001:2018 Energy Management Standard and ISO 27001:2013 Information Security management Standard (SISCO).

Productivity Management

- MIDHCO and its subsidiaries were assessed by IMIDRO about productivity and were awarded the following prizes:
  - Bronze Prize: MIDHCO
  - Three-Star Certificate: BISCO, IBCCO.
  - Two-Star Certificate: ZISCO
- Implementing the Productivity Management System in MIDHCO's subsidiaries.





IQNet
THE INTERNATIONAL CERTIFICATION NETWORK

CERTIFICATE

CISQ/IMQ has issued an IQNet recognized certificate that the organization:

MIDDLE EAST MINES & MINERAL INDUSTRIES DEVELOPMENT HOLDING COMPANY (MIDHCO)
N.8 MAREF ST., FARHANG BLVD., SAADATABAD - TEHERAN IRAN
PASARGAD BUILDING, JOMHOORI BLVD. - KERMAN IRAN

has implemented and maintains a
Environmental Management System
for the following scope:

Strategic control, financing, planning and holding management in mining industry

which fulfills the requirements of the following standard:

ISO 14001:2015

Issued on: 2019 - 09 - 12
Expires on: 2022 - 09 - 11

This attestation is directly linked to the IQNet Partner's original certificate and shall not be used as a stand-alone document

Registration Number: IT - 109211

Alex Stoichitsis
President of IQNET

Ing. Claudio Provetti
President of CISQ



IQNet
THE INTERNATIONAL CERTIFICATION NETWORK

CERTIFICATE

CISQ/IMQ has issued an IQNet recognized certificate that the organization:

MIDDLE EAST MINES & MINERAL INDUSTRIES DEVELOPMENT HOLDING COMPANY (MIDHCO)
N.8 MAREF ST., FARHANG BLVD., SAADATABAD - TEHERAN IRAN
PASARGAD BUILDING, JOMHOORI BLVD. - KERMAN IRAN

has implemented and maintains a
Quality Management System
for the following scope:

Strategic control, financing, planning and holding management in mining industry

which fulfills the requirements of the following standard:

ISO 9001:2015

Issued on: 2019 - 09 - 06
Expires on: 2022 - 09 - 07

This attestation is directly linked to the IQNet Partner's original certificate and shall not be used as a stand-alone document

Registration Number: IT - 109210

Alex Stoichitsis
President of IQNET

Ing. Claudio Provetti
President of CISQ



IQNet
THE INTERNATIONAL CERTIFICATION NETWORK

CERTIFICATE

CISQ/IMQ has issued an IQNet recognized certificate that the organization:

MIDDLE EAST MINES & MINERAL INDUSTRIES DEVELOPMENT HOLDING COMPANY (MIDHCO)
N.8 MAREF ST., FARHANG BLVD., SAADATABAD - TEHERAN IRAN
PASARGAD BUILDING, JOMHOORI BLVD. - KERMAN IRAN

has implemented and maintains a
Occupational Health and Safety Management System
for the following scope:

Strategic control, financing, planning and holding management in mining industry

which fulfills the requirements of the following standard:

ISO 45001:2018

Issued on: 2019 - 09 - 12
Expires on: 2022 - 09 - 11

This attestation is directly linked to the IQNet Partner's original certificate and shall not be used as a stand-alone document

Registration Number: IT - 109212

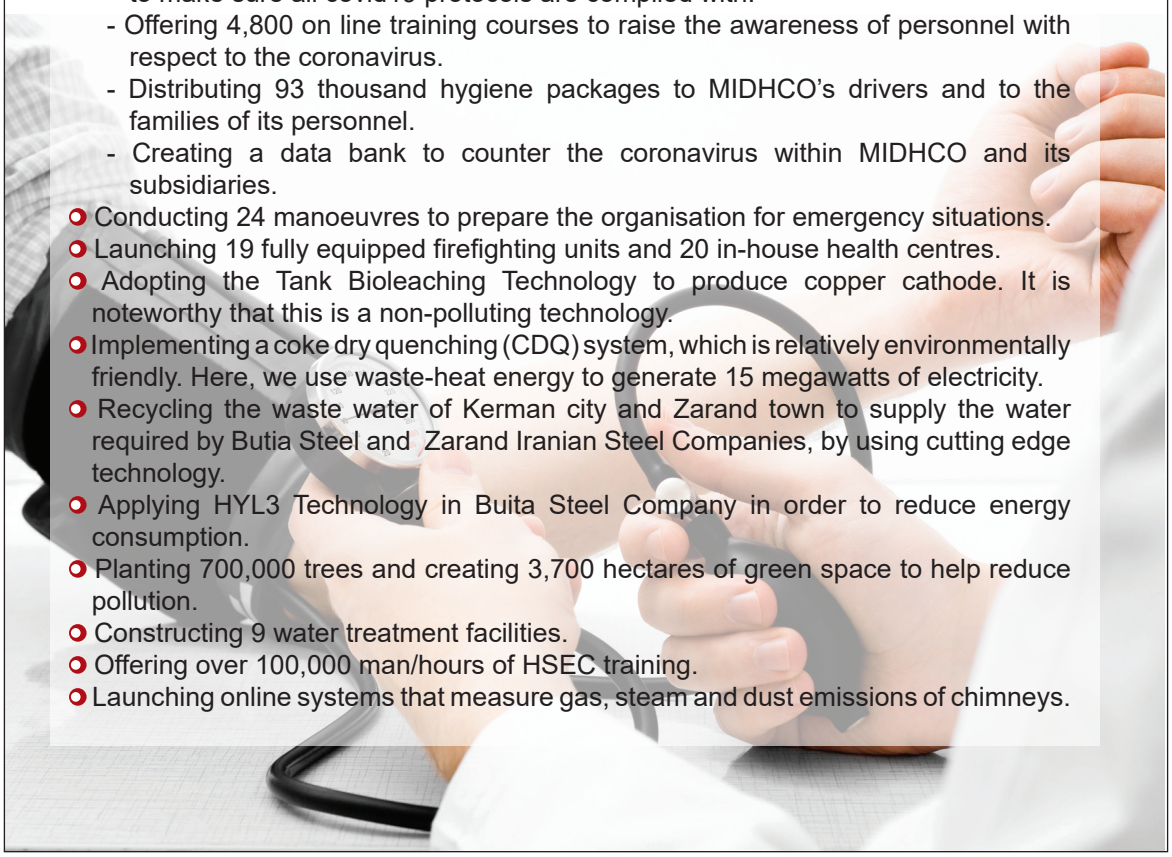
Alex Stoichitsis
President of IQNET

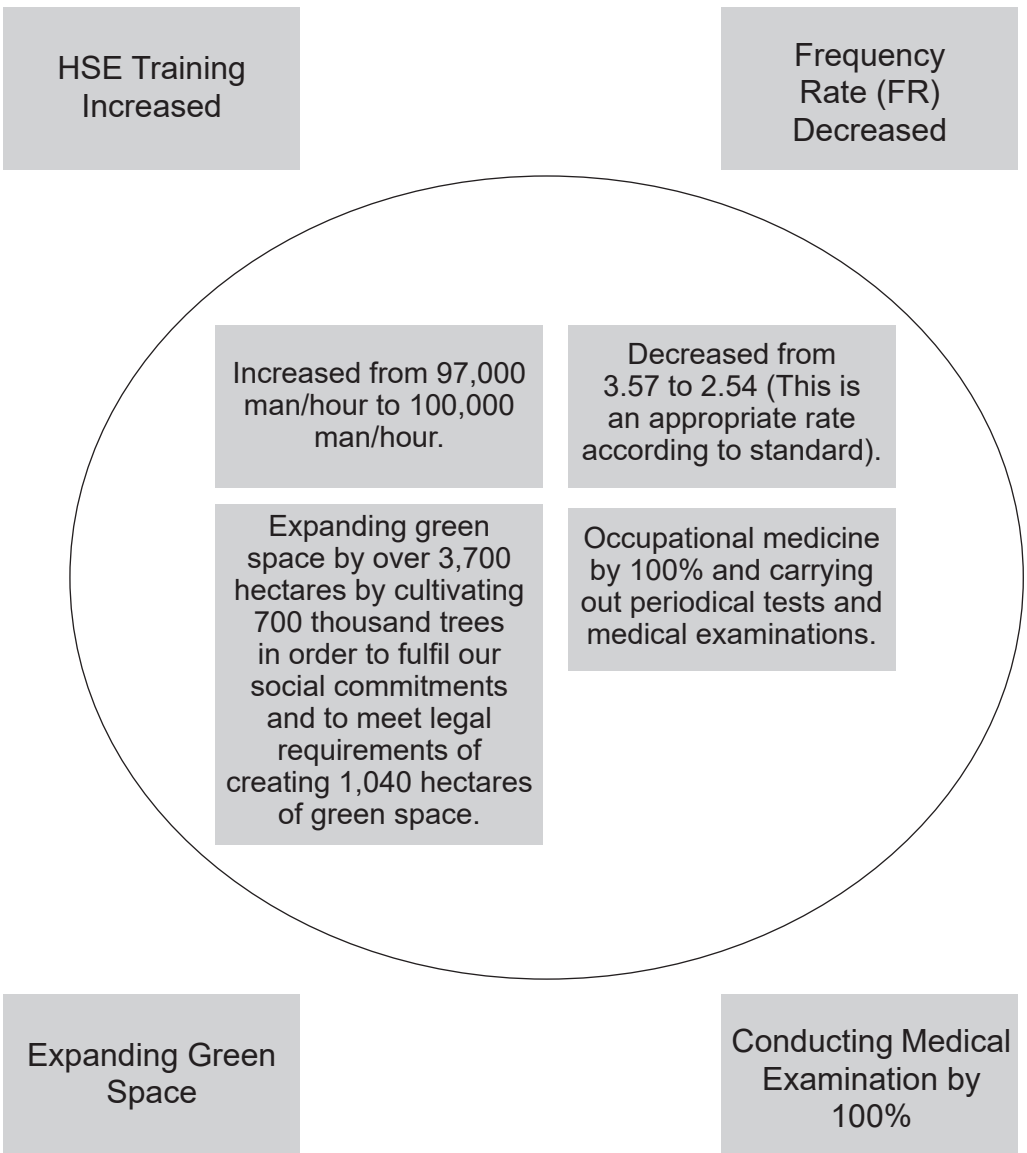
Ing. Claudio Provetti
President of CISQ

HEALTH, SAFETY, ENVIRONMENT & COMMUNITY (HSEC)

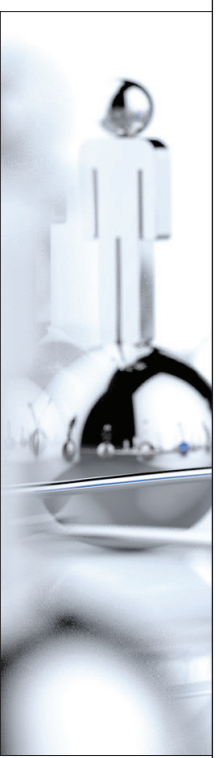
We aim to achieve the highest standards in health, safety, environment & community (HSEC). During the reporting fiscal period, we made the following accomplishments in reference with HSEC:

- Reducing frequency rates to 2.54 (3.57 in the previous year), indicating an appropriate rate according to the international standard rates from 0 to 10.
- Reducing severity rates from 666 to 212 (a 68% decline compared to previous year).
- Reducing frequency – severity index from 1.54 to 0.73 (a 50% decline compared to the previous year).
- Implementing HSE-MS Systems throughout MIDHCO's subsidiaries.
- Conducting regular inspections on MIDHCO's subsidiaries based on the HSEC Assessment Model.
- Conducting HSEC risk management in order to identify and avoiding HSEC risks.
- Identifying, measuring and minimising hazardous factors in the working environment.
- Fulling implementing the health protocols set forth via elated authorities such as the Anti-Coronavirus National Headquarters and carrying out numerous measures to prevent the spreading of this virus. Some of these measures include:
  - Issuing 5.2 million masks to all visitors.
  - Conducting 7.2 million fever tests.
  - Consuming 530,000 litres of disinfectants in order to sanitise the working environment.
  - HSEC Units conducting 8,000 hygiene inspections from subsidiaries of MIDHCO to make sure all covid19 protocols are complied with.
  - Offering 4,800 on line training courses to raise the awareness of personnel with respect to the coronavirus.
  - Distributing 93 thousand hygiene packages to MIDHCO's drivers and to the families of its personnel.
  - Creating a data bank to counter the coronavirus within MIDHCO and its subsidiaries.
- Conducting 24 manoeuvres to prepare the organisation for emergency situations.
- Launching 19 fully equipped firefighting units and 20 in-house health centres.
- Adopting the Tank Bioleaching Technology to produce copper cathode. It is noteworthy that this is a non-polluting technology.
- Implementing a coke dry quenching (CDQ) system, which is relatively environmentally friendly. Here, we use waste-heat energy to generate 15 megawatts of electricity.
- Recycling the waste water of Kerman city and Zarand town to supply the water required by Butia Steel and Zarand Iranian Steel Companies, by using cutting edge technology.
- Applying HYL3 Technology in Buita Steel Company in order to reduce energy consumption.
- Planting 700,000 trees and creating 3,700 hectares of green space to help reduce pollution.
- Constructing 9 water treatment facilities.
- Offering over 100,000 man/hours of HSEC training.
- Launching online systems that measure gas, steam and dust emissions of chimneys.




HSE Training Increased
Frequency Rate (FR) Decreased
Increased from 97,000 man/hour to 100,000 man/hour.
Decreased from 3.57 to 2.54 (This is an appropriate rate according to standard).
Expanding green space by over 3,700 hectares by cultivating 700 thousand trees in order to fulfil our social commitments and to meet legal requirements of creating 1,040 hectares of green space.
Occupational medicine by 100% and carrying out periodical tests and medical examinations.
Expanding Green Space
Conducting Medical Examination by 100%

HUMAN RESOURCES & TRAINING



The average monthly number of people we (MIDHCO and its subsidiaries) have employed (directly and indirectly) is 10,472 people.

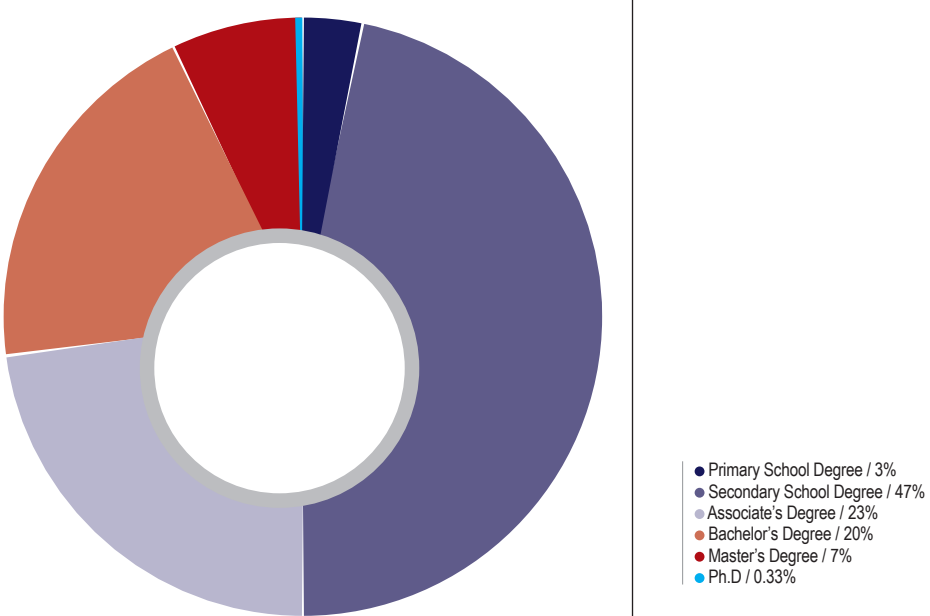
Since we consider personnel to be our most invaluable asset, we invest a great deal of our time and resources towards human their development. One of the ways in which this may be achieved, is through constant training.

During the reporting period, we provided 102,653 man/hours of training to our staff. The increasing number of training hours and courses offered clearly reflect upon our commitment to human resource development.

No. of Trainees	No. of Training Hours	Man/ Hours	Per Head (Hours)
18,479	10,426	102,653	12



Personnel by Academic Qualifications



EXPLORATION

In order to ensure of continuous and reliable supply of raw material, we have embarked upon exploring new sources of minerals to feed our production lines. The following table demonstrates our exploration performance during the reporting fiscal period.

Heuristic Zones	Location	Reserve Type	Area (Km^2)
Sabalan - Gharesou	Ardabil Province	Mineralisation of Copper & Poly-Metal	1,696
Tarem Sofla	Ghazvin Province	Alunite & Poly-Metal	2,876
Heuristic Zone 7	Kerman Province	Porphyry Copper, Hydrothermal, Iron & Manganese	1,192
Heuristic Zone 22	Kerman Province	Copper, Iron, Baryte, Zink & Bentonite	1,012
Heuristic Zone 2	Kerman Province	Coal	1,040
Mes Chah Paniri 1	South Khorasan Province	Mineralisation of Copper	62
Heuristic Zone of Iron 16	Kerman Province	Iron Minerals	40
Heuristic Zone of Copper 8	Kerman Province	Mineralisation of Copper	40
Complementary Exploration of Chah Mousa	Semnan Province	Copper	26
Complementary Exploration of Ghale Soukhteh	Semnan Province	Copper	10.5
Ghohroud Complementary Exploration of Copper & Iron	Isfahan Province	Copper & Iron Ore	0.3
Total Area			**7,994.8**

OUR PLANTS & PROJECTS

Ongoing projects

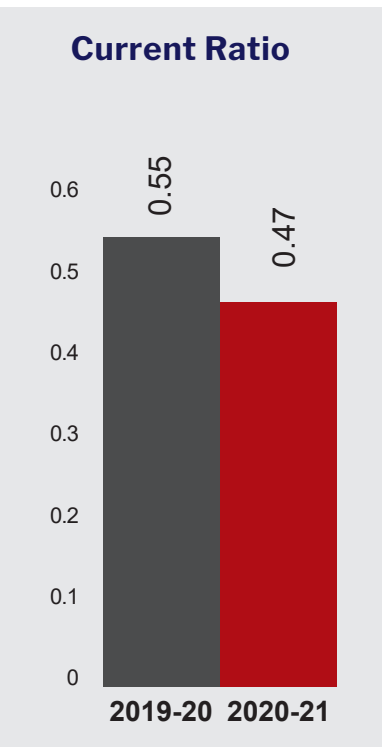
Project	Physical Progress (%)
Zarand Steel Making Plant	94.6
Butia Steel Making Plant (Steel & Direct Reduction)	54
Butia Power Unit	38
Kerman Wastewater Collection & Treatment	19

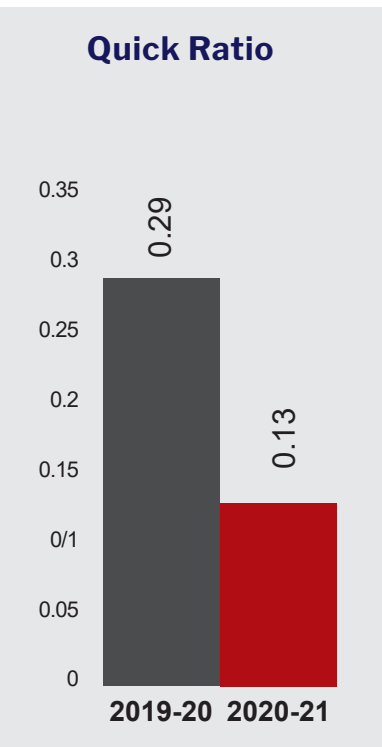
Utilised Projects

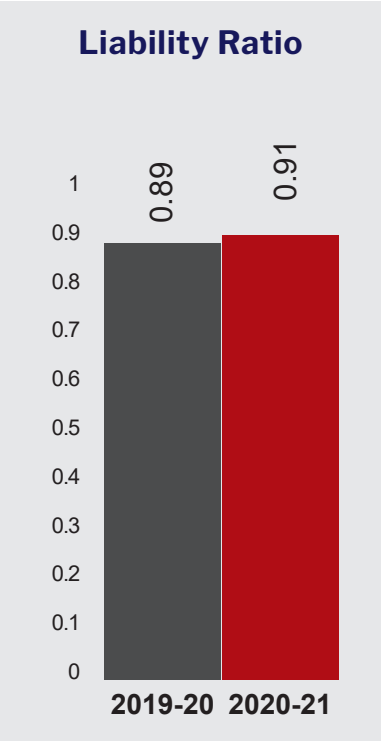
During the reporting fiscal period, Zarand Steel Making Complex with a capacity of 1.7 million tons/annum and MEMRADCO Lime and Dolomite with a capacity of 400 thousand tons/annum were utilised.

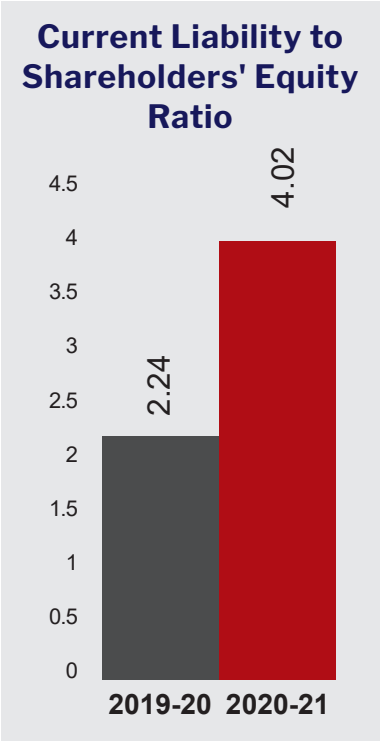
FINANCIAL PERFORMANCE

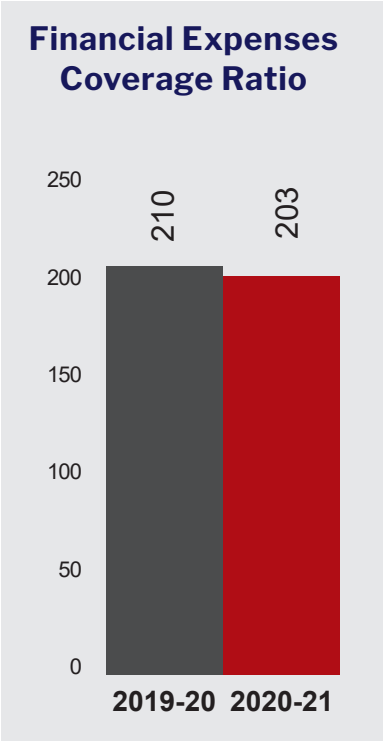
	Ratios	2019-20	2020-21	2019-20 (Consolidated)	2020-21 (Consolidated)
Liquidity Ratios-%	Current Ratio	1.06	4.13	0.55	0.47
	Quick Ratio	1.06	4.19	0.29	0.13
	Current Assets Ratio	0.25	0.26	0.14	0.17
	Working Capital-Million IRR	15,844,873	18,188,953	57,099,356	131,261,116
Leverage Ratios-%	Fixed Assets to Shareholders' Equity Ratio	0.07	0.07	7.46	8.97
	Current Liabilities to Shareholders' Equity Ratio	0.3	0.06	2.24	4.02
	Long-term Liabilities to Shareholders' Equity Ratio	0.0003	0.0003	5.61	6.02
	Equity Ratio	0.76	0.93	0.11	0.09
	Total Liabilities Ratio	0.24	0.07	0.89	0.91
	Financial Expenses Coverage Ratio	19,016	1,169	210	203
Profitability Ratios-%	Return on Assets	17	24	2.7	2.8
	Return on Shareholders' Equities	22	26	24.19	31.8
Return on Working Capital-%		68	95	19	17

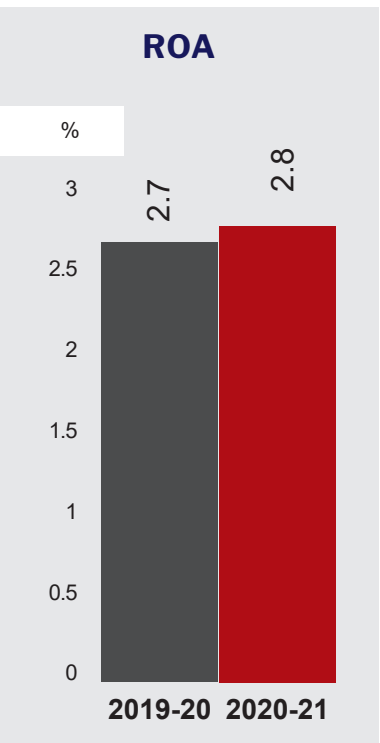


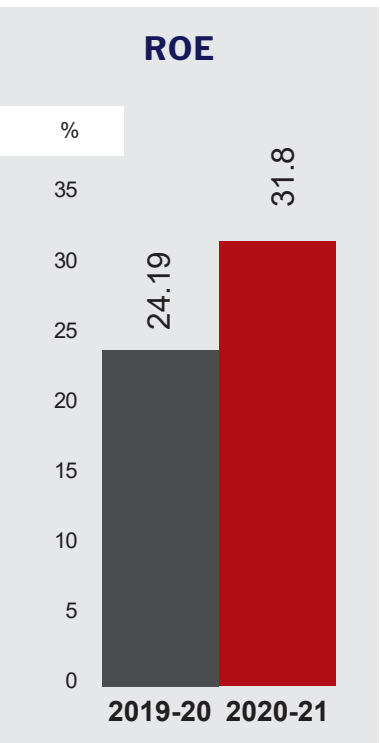



Liability Ratio
1
0.9
0.8
0.7
0.6
0.5
0.4
0.3
0.2
0.1
0
0.89
0.91
2019-20
2020-21


Current Liability to Shareholders' Equity Ratio
4.5
4
3.5
3
2.5
2
1.5
1
0.5
0
2.24
4.02
2019-20
2020-21


Financial Expenses Coverage Ratio
250
200
150
100
50
0
210
203
2019-20
2020-21

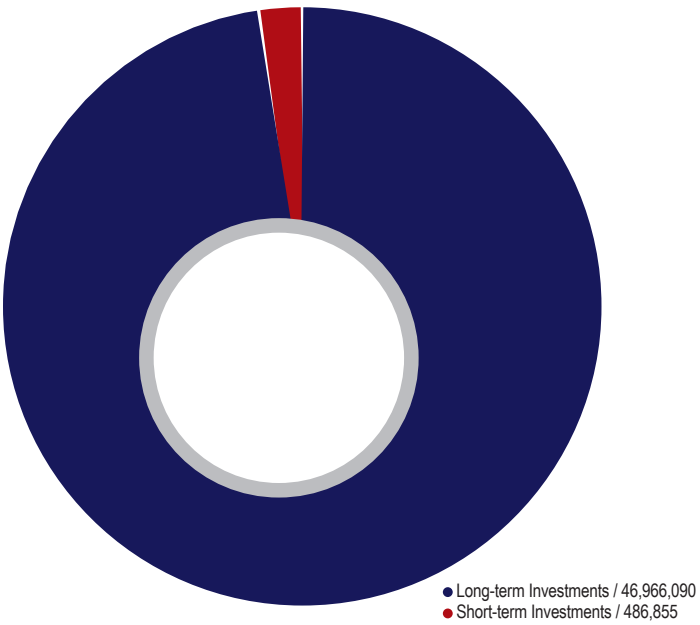

ROA
%
3
2.5
2
1.5
1
0.5
0
2.7
2.8
2019-20
2020-21


ROE
%
35
30
25
20
15
10
5
0
24.19
31.8
2019-20
2020-21

INVESTMENTS

In order to ensure of sustainable growth and development, we constantly invest in the capital market and in new projects. Our total investments during the reporting year amount to IRR47,452,945 million. Although these investments are both short and long-term our primary focus is on long-term investments. The opposite pie chart demonstrates our short and long-term investment portfolio.

Investment Portfolio



SHORT-TERM INVESTMENTS

As shown in the above pie chart, our short-term investments contribute to a very small portion of our total investments. Short-term investments fell considerably during the reporting period from IRR1,116,196 million in the 2019-20 period to IRR486,855 million in the following year.

LONG-TERM INVESTMENTS

Almost all of our investments are long-term, which means that once matured, we can look forward to lucrative returns. Our long-term investments which include investing in shares of our subsidiaries and shares of other companies are on the rise and amounted to IRR46,966,090 million during the reporting fiscal period, (previous year: IRR43,479,698 million).

PART III

FINANCIAL STATEMENTS



Report of the Auditor & Legal Inspector to the General Assembly of the Shareholders of Middle East Mines & Mining Industries Development Holding Company (Public Joint Stock)

Report on the Financial Statements

Introduction

1. We have audited the accompanying consolidated financial statements of the Group and the Middle East Mines & Mineral Industries Development Specialised Holding Company (PLC) which include the Statements of Financial Position as of 20 March 2021 and comprehensive income statement and changes in equity and cash flows for the fiscal year then ended, together with the attached notes (1) to (42) herein.

Responsibility of the Board of Directors

2. The Board of Directors is responsible for the preparation of the financial statements in accordance with accounting standards. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation of the financial statements in such a way that they are free from significant material misstatements, whether due to fraud or error.

Responsibility of the Auditor & Legal Inspector

3. Our responsibility is to express our opinion on these financial statements based on our audit according to auditing standards. These standards require that we observe the rules of professional conduct and plan and execute the audit in such a way that a reasonable assurance on whether or not the financial statements are free from significant material misstatement is obtained.

The audit involves applying procedures to obtain audit evidence regarding the amounts and other disclosures in the financial statements. The selected procedures are dependent upon the judgment of the auditor, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In order to assess those risks, the auditor assesses internal controls relevant to the entity's preparation and fair representation of the financial statements, in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting practices applied and the reasonableness of accounting estimates of the Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained provides sufficient and appropriate basis for our opinion.

In addition, while performing our duty as a legal inspector, we have a duty to report any instances of noncompliance with legal requirements of the Commercial Code as Amended and the provisions of the Articles of Association of the Company to the Ordinary General Assembly of the shareholders.

Opinion

4. In our opinion, the aforementioned financial statements for the year ended 20 March 2021, give a true and fair view in all material respects of the financial position of the Group and the Middle East Mines & Mineral Industries Development Holding Company (PLC) and the results of its operations and cash flows for the year then ended, in accordance with accounting standards.

Date: 10 May 2021

Raymand & Company Audit Institute
(Certified Public Accountants)

Majid Mohammadi	Amir HosseinBahramiyan
891710	901841

iddle East Mines & Mining Industries Development Holding Company (Public Joint Stock)
Consolidated Income Statement
For the Year Ended March 20th, 2021

	Note	2020-21	2019-20
		Million IRR	Million IRR
Operating Revenues	5	141,495,576	68,029,831
Cost of Operating Revenues	6	(95,997,470)	(46,249,999)
Gross Profit		45,498,106	21,779,832
Sales, Administrative & General Expenses	7	(3,690,560)	(1,783,332)
Other Revenues	8	851,902	151,434
Other Expenses	9	(244,461)	(152,609)
Operating Profit		42,414,987	19,995,325
Financing Expenses	10	(20,874,305)	(9,520,884)
Other Non-Operating Revenues & Expenses	11	698,923	887,168
Profit before Tax		22,239,605	11,361,609
Income Tax:			
Current Year	30	(185,670)	(183,126)
Previous Years	30	(112,749)	(35,460)
Net Profit		21,941,186	11,143,023
Attributable to:			
Parent Company's Owners		21,874,660	11,084,242
Non-controlling Interests		66,526	58,781
		21,941,186	11,143,023
Basic EPS Attributable to the Parent Company's Owners:			
Operating (IRR)		932	450
Non-operating (IRR)		(446)	(193)
Basic EPS (IRR)	12	486	257

Explanatory notes are an integral part of these financial statements.

Middle East Mines & Mining Industries Development Holding Company (Public Joint Stock)
Consolidated Comprehensive Income Statement
For the Year Ended March 20th, 2021

	Note	2020-21	2019-20
		Million IRR	Million IRR
Net Profit		21,941,186	11,143,023
Other Comprehensive Income Items:			
Difference in Currency Exchange of Foreign Operations	25	1,011,964	234,369
Comprehensive Profit for the Fiscal Year		22,953,150	11,377,392
Attributable to:			
Parent Company's Owners		22,886,624	11,318,611
Non-Controlling Interests		66,526	58,781
		22,953,150	11,377,392

Explanatory notes are an integral part of these financial statements.

Middle East Mines & Mining Industries Development Holding Company (Public Joint Stock)
Consolidated Statement of Financial Position
As At March 20th, 2021

	Note	20.03.2021	(Restated) 19.03.2020	(Restated) 20.03.2019
		Million IRR	Million IRR	Million IRR
Assets				
Non-Current Assets:				
Tangible Fixed Assets	13	618,808,019	343,678,548	260,635,476
Goodwill	14	14,978	16,881	19,743
Intangible Assets	15	1,845,713	1,763,037	931,597
Long-Term Investments	16	8,713,096	3,770,595	1,200,842
Long-Term Receivables	17	1,719,577	905,769	2,491,105
Other Assets	18	1,336,233	723,087	777,591
Total Non-Current Assets		632,437,616	350,857,917	266,056,354
Current Assets:				
Prepayments	19	30,780,882	3,984,151	2,061,743
Goods & Materials Inventory	20	62,991,372	25,494,851	11,192,853
Trade & Other Receivables	17	22,467,912	17,963,343	11,457,407
Short-Term Investments	21	486,855	1,166,196	301,207
Cash	22	14,534,095	8,490,815	3,105,328
Total Current Assets		131,261,116	57,099,356	28,118,538
Total Assets		763,698,732	407,957,272	294,174,891
Equity & Liabilities				
Equity:				
Capital	23	45,200,000	29,000,000	29,000,000
Capital Increase in Progress	23	0	6,496,534	0
Legal Reserve	24	5,038,324	3,416,858	2,297,647
Difference in Currency Exchange of Foreign Operations	25	1,227,774	215,810	(18,559)
Retained Earnings		17,384,855	6,831,661	3,855,768
Equity Attributable to the Parent Company's Owners		68,850,953	45,960,863	35,134,856
Non-Controlling Interests	26	134,202	100,990	57,202
Total Equity		68,985,155	46,061,853	35,192,058
Liabilities:				
Non-Current Liabilities:				
Long-Term Payables	27	62,025,768	40,099,105	69,476,571
Long-Term Loans	28	354,657,713	218,328,438	81,158,254
Provision for Employees' Work Termination Benefits	29	493,828	293,335	246,467
Total Non-Current Liabilities		417,177,309	258,720,878	150,881,292
Current Liabilities:				
Trade & Other Payables	27	51,678,829	27,442,577	19,321,810
Tax Payable	30	643,530	1,314,539	1,461,663
Dividend Payable	31	84,746	466,300	147,864
Loans	28	213,684,254	67,741,995	82,205,303
Provisions	32	4,579,439	1,931,230	3,742,422
Advances Received	33	6,865,470	4,277,900	1,222,479
Total Current Liabilities		277,536,268	103,174,541	108,101,541
Total Liabilities		694,713,577	361,895,419	258,982,833
Total Equity & Liabilities		763,698,732	407,957,272	294,174,891

Explanatory notes are an integral part of these financial statements.

Middle East Mines & Mining Industries Development Holding Company (Public Joint Stock)
Consolidated Statement of Changes in Equity
For the Year Ended March 20th, 2021

	Capital	Capital Increase in Process	Legal Reserve	Retained Earnings	Exchange Differences in Overseas Operations	Attributable to Parent Company's Owners	Non-controlling Interests	Total
Balance on 21.03.2019	29,000,000	-	2,297,647	7,883,737	(18,559)	39,162,825	112,047	39,274,872
Correcting Error (Note 34)	-	-	-	(4,027,969)	-	(4,027,969)	(54,845)	(4,082,814)
Balance Revised on 21.03.2019	29,000,000	-	2,297,647	3,855,768	(18,559)	35,134,856	57,202	35,192,058
Equity Changes in 2019-20:								
Net Profit Reported in the 2019-20 Financial Statements	-	-	-	11,084,242	-	11,084,242	58,781	11,143,023
Other Comprehensive Profit & Loss Items after Tax	-	-	-	-	234,369	234,369	-	234,369
Comprehensive Profit for 2019-20	-	-	-	11,084,242	234,369	11,318,611	58,781	11,377,392
Approved Dividends	-	-	-	(7,018,000)	-	(7,018,000)	(17,695)	(7,035,695)
Capital Increase in Process	-	6,496,534	-	-	-	6,496,534	-	6,496,534
Allocated to Legal Reserve	-	-	1,119,211	(1,119,211)	-	-	2,702	2,702
Other Adjustments	-	-	-	28,862	-	28,862	-	28,862
Balance Revised on 19.03.2020	29,000,000	6,496,534	3,416,858	6,831,661	215,810	45,960,863	100,990	46,061,853
Equity Changes in 2020-21								
Net Profit for 2020-21	-	-	-	21,874,660	-	21,874,660	66,526	21,941,186
Other Comprehensive Profit & Loss Items after Tax	-	-	-	-	1,011,964	1,011,964	-	1,011,964
Comprehensive Profit for the 2020-21	-	-	-	21,874,660	1,011,964	22,886,624	66,526	22,953,150
Approved Dividend	-	-		(9,700,000)		(9,700,000)	(36,008)	(9,736,008)
Capital Increase	16,200,000	(6,496,534)				9,703,466		9,703,466
Allocated to legal Reserve	-	-	1,621,466	(1,621,466)		-	2,694	2,694
Balance on 20.03.2021	45,200,000	0	5,038,324	17,384,855	1,227,774	68,850,953	134,202	68,985,155

Explanatory notes are an integral part of these financial statements.

Middle East Mines & Mining Industries Development Holding Company (Public Joint Stock)
Consolidated Statement of Cash Flows
For the Year Ended March 20th, 2021

	Note	2020-21	2019-20
		Million IRR	Million IRR
Cash Flows from Operating Activities:			
Cash from Operations	35	(43,608,152)	(19,178,486)
Cash Payments towards Corporation Tax		(452,743)	(203,911)
Net Cash Inflow (Outflow) from Operating Activities		(44,060,895)	(19,382,397)
Cash Flows from Investing Activities:			
Cash Payments for Purchasing Tangible Fixed Assets		(191,952,623)	(25,242,336)
Cash Received for Purchasing Intangible Assets		(53,859)	(71,827)
Cash Received from Selling Tangible Fixed Assets		61,747	31,951
Cash Received from Disposal of Short-term Investments		679,341	36,152
Cash Received from Dividends		49,728	247,898
Cash Received from Returns on Other Investments		402,767	201,269
Cash Payments for Acquiring Short-term Investments		-	(817,310)
Cash Payments for Acquiring Long-term Investments		(3,180,010)	(2,795,111)
Net Cash Inflow (Outflow) from Investing Activities		(193,992,909)	(28,409,314)
Net Cash Inflow (Outflow) Before Financing Activities		(238,053,804)	(47,791,711)
Cash Flows from Financing Activities:			
Cash Received from Capital Increase		3,466	171,501
Cash Received from Loans		385,624,457	342,963,362
Cash Received from Principal Amount of Loans		(121,926,684)	(264,848,843)
Cash Payment for Dividends		(417,562)	(11,318)
Cash Payments for Interest on Loans		(19,251,084)	(25,125,314)
Net Cash Inflow (Outflow) from Financing Activities		244,032,593	53,149,388
Net Cash Increase		5,978,789	5,357,677
Cash at Beginning of Year		8,490,815	3,105,329
Effect of Foreign Currency Rate Fluctuation		64,491	27,809
Cash at End of Year		14,534,095	8,490,815
Non-cash Transactions	36	42,414,012	38,482,848

Explanatory notes are an integral part of these financial statements.

Middle East Mines & Mining Industries Development Holding Company (Public Joint Stock)
Income Statement
For the Year Ended March 20th, 2021

	Note	2020-21	2019-20
		Million IRR	Million IRR
Operating Revenues	5	19,592,884	11,053,943
Sales, Administrative & General Expenses	7	(603,071)	(232,365)
Operating Profit		18,989,813	10,821,578
Financial Expenses	10	(1,623,221)	(56,907)
Other Non-Operating Revenues & Expenses	11	3,047	(2,224)
Net Profit		17,369,639	10,762,447
Basic EPS Attributable to the Parent Company's Owners:			
Operating (IRR)		422	251
Non-operating (IRR)		(36)	(1)
Basic EPS (IRR)	12	386	250

Since the Comprehensive Income Statement is limited to the profit of the period, it is not presented.

Explanatory notes are an integral part of these financial statements.

Middle East Mines & Mining Industries Development Holding Company (Public Joint Stock)
Statement of Financial Position
As At March 20th, 2021

	Note	20.03.2021	(Restated) 19.03.2020	(Restated) 20.03.2019
		Million IRR	Million IRR	Million IRR
Assets:				
Non-Current Assets:				
Tangible Fixed Assets	13	4,809,303	3,586,810	2,347,081
Intangible Assets	15	-	69	24
Long-Term Investments	16	46,966,090	43,479,698	32,811,295
Other Assets	18	69,399	198,776	332,700
Total Non-Current Assets		51,844,792	47,265,353	35,491,100
Current Assets:				
Prepayments	19	5,532	46,184	29,957
Cash	17	18,179,157	15,796,029	12,748,658
Total Current Assets	22	4,264	2,660	169,436
Total Assets		18,188,953	15,844,873	12,948,051
Equity & Liabilities:		70,033,745	63,110,226	48,439,151
Equity:				
Capital	23	45,200,000	29,000,000	29,000,000
Capital Increase in Progress	23	-	6,496,534	-
Legal Reserve	24	2,584,910	1,716,428	1,178,222
Retained Earnings		17,828,715	11,027,558	7,821,317
Total Equity		65,613,625	48,240,520	37,999,539
Liabilities:				
Non-Current Liabilities:				
Provision for Employees' Work Termination Benefits	29	20,643	14,710	0
Total Non-Current Liabilities		20,643	14,710	0
Current Liabilities:				
Trade & Other Payables	27	4,193,231	988,504	671,282
Dividend Payable	31	84,746	404,064	85,068
Loans	28	121,500	13,462,428	9,683,262
Total Current Liabilities		4,399,477	14,854,996	10,439,612
Total Liabilities		70,033,745	63,110,226	48,439,151

Explanatory notes are an integral part of these financial statements.

Middle East Mines & Mining Industries Development Holding Company (Public Joint Stock)
Statement of Changes in Equity
For the Year Ended March 20th, 2021

	Capital	Capital Increase in Process	Legal Reserve	Retained Earnings	Total
Balance on 21.03.2019	29,000,000	-	1,178,222	7,817,758	37,995,980
Correcting Error (Note 34)	-	-	-	3,559	3,559
Balance Revised at 21.03.2019	29,000,000	-	1,178,222	1,821,317	37,999,539
Equity Changes in 2019-20:					
Net Profit Reported in the 2019-20 Financial Statements	-	-	-	10,762,447	10,762,447.00
Capital Increase in Process	-	6,496,534	-	-	6,496,534.00
Approved Dividends	-	-	-	(7,018,000)	(7,018,000)
Allocated to Legal Reserve			538,206	(538,206)	-
Balance Revised at 19.03.2020	29,000,000	6,496,534	1,716,428	11,027,558	48,240,520
Equity Changes in 2020-21					
Net Profit for 2020-21	-	-	-	17,369,639	17,369,639
Capital Increase	16,200,000	(6,496,534)	-	-	9,703,466
Approved Dividends	-	-	-	(9,700,000)	(9,700,000)
Allocated to legal Reserve	-	-	868,482	(868,482)	0
Balance on 20.03.2021	45,200,000	0	2,584,910	17,828,715	65,613,625

Explanatory notes are an integral part of these financial statements.

Middle East Mines & Mining Industries Development Holding Company (Public Joint Stock)
Statement of Cash Flows
For the Year Ended March 20th, 2021

	Note	2020-21	2019-20
		Million IRR	Million IRR
Cash Flows from Operating Activities:			
Cash from Operations	35	3,084,203	(999,603)
Cash Payments for Corporation Tax		-	-
Net Cash Inflow (Outflow) from Operating Activities		3,084,203	(999,603)
Cash Flows from Investing Activities:			
Cash Payments for Purchasing Tangible Fixed Assets		(1,228,835)	(1,226,235)
Cash Received for Purchasing Intangible Assets		-	(40)
Cash Payments for Acquiring Long-term Investments		(1,540,189)	(1,950,000)
Cash Received from Selling Investments		-	88,276
Cash Received from Interest on Deposits		1,548	-
Net Cash Inflow (Outflow) from Investing Activities		(2,767,476)	(3,087,999)
Net Cash Inflow (Outflow) Before Financing Activities		316,727	(4,087,602)
Cash Flows from Financing Activities:			
Cash Received from Loans		-	29,055,469
Cash Received from Capital Increase		3,466	128,160
Cash Received from Principal Amount of Loans		-	(25,262,803)
Cash Payment for Dividend		(319,318)	-
Net Cash Inflow (Outflow) from Financing Activities		(315,852)	3,920,826
Net Cash Increase (Decrease)		875	(166,776)
Cash at Beginning of Year		2,660	169,436
Effect of Foreign Currency Rate Fluctuation		729	0
Cash at End of Year		4,264	2,660
Non-cash Transactions	36	41,574,724	16,646,482

Explanatory notes are an integral part of these financial statements.

Middle East Mines & Mining Industries Development Holding Company (Public Joint Stock)
Notes to the Financial Statements
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1. History and Activities

1.1. History

The Group includes Middle East Mines Industries Development Holding Company - MIDHCO (as the Parent Company) and its subsidiaries. MIDHCO (Public Joint Stock) was established on 1386/09/17 (11.10.2007) under registration number of 310643 and national ID number of 10103500247 at Tehran Department of Companies Registration and Industrial Ownership. In addition, the Company was listed in the over-the-counter market on 1390/04/05 (26.06.2011) and its share were floated in the mentioned market as of 1390/07/09 (01.10.2011). A main portion of the shares of the Middle East Mines & Mining Industries Development Company is currently held by various companies which are jointly managed by Pars Aryan Investment Corporation (PLC). The address of this company is: No. 8, Maaref Alley, Niyaysh Highway, Farhang Boulevard, Saadat Abad, Tehran, Iran.

1.2. Main activities

According to Article 3 of its Articles of Association, MIDHCO's scope of activities are stated below:
Investment in shares of investee companies with the objective of benefiting and to the extent of which at least one board member of the investee company can be appointed independently.

Investment in companies which are active in exploration and research in geology and metallurgy, mining, mineral product production and processing, ingot production from mineral stones, grinding, washing, sorting, mineral processing, concentration, treatment, processing, casting, flotation of minerals, mineral chemical production, mineral products powder production, decorative stones cutting, offering consulting services, contracting, commercial, managerial, technical, economic and financial supervision in mining industries, development, utilisation, selling and renting of factories, units and companies being active in manufacturing, services, commercial and mining industries within the country or abroad, investment in purchasing, partnership, rent, mortgage and sales of movable assets in industrial and mining sectors and operations related to the above activities.

Subsidiaries are mainly active in consulting, design, supervision and implementation of construction works, installations and establishing iron and steel making plants, production of billets, iron ore concentrate, coal concentrate, sponge iron, coke, copper cathode and pipe, ferrosilicon, transportation, trading and brokerage.

1.3. Personnel number

The average monthly number of permanent and contracted employees during the year is detailed as follows:

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Persons	Persons	Persons	Persons
Contracted Personnel	10,410	7,873	92	88
Personnel Employed by the Working Hours	62	31	17	15
	10,472	7,904	109	103

1.3.1. Increase in the number of employees is mainly related to Zarand Iranian, Sirjan Iranian Steel Companies, Butia Iranian Steel and Iranian, Middle East Mines Renovation and Development, Middle East Industry Efficient Productive and Iranian Babak Copper Companies due to launching new production lines.

2. New and Revised Accounting Standards

2.1. Significant effect from applying new and revised accounting standards which are in effect in the reporting period are as follows:

2.1.1. Applying Accounting Standard 35 (Income Tax) which shall in effect during the reporting year has no significant effect on the Group and Parent Company.

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2.2. New and Revised and Ratified Accounting Standards Which Are Not Mandatory As yet:
2.2.1. Applying the following standards which will be in effect as of 21.03.2021 have no significant effect on the Group and Parent Company: Accounting Standard 18 (Separate Financial Statements), Accounting Standard 20 (Investment in Associates & Joint Ventures), Accounting Standard 38 (Business Combination), Accounting Standard 39 (Consolidated Financial Statements), Accounting Standard 40 (Partnerships), Accounting Standard 41 (Disclosure of Interests in Other Entities) and Accounting Standard 42 (Fair Value Measurement).

3. Significant Accounting Procedures
3.1. Measurement basis for preparation of the financial statements
Consolidated financial statement of the Group and the Parent Company are prepared on historical cost basis.

3.2. Basis for consolidation
3.2.1. Consolidated financial statements incorporate the financial statements of the Middle East Mines & Mining Industry Development Holding Co. (Public Joint Stock) and all of its subsidiaries (companies under control of the Parent Company presented in the note 16.7), after eliminating the intra-group transactions and balances as well as the unrealised profit and loss resulting from those transactions.

3.2.2. In reference with the subsidiary companies which were acquired during the reporting financial period, the results of their operations are reflected in the Consolidated Income Statement as of the date in which full control was transferred to the Parent Company and the results of operations of the companies which have been sold are reflected in the Consolidated Income Statement until the date of their transfer.

3.2.3. In spite of the fact that with the exception of the financial periods of WMI and Jahani Mining Companies, which end on 31 December, the financial period of the subsidiary companies ends on 21 December, the financial statements of the said companies are consolidated in the same order. However, in case of occurrence of any event which has significant impact on the generality of the consolidated financial statements by the date of the financial statements within the Parent Company, its effects shall be taken into account by adjusting the items within the financial statements of the subsidiary companies.

3.2.4. The consolidated financial statements are prepared by applying the same accounting procedures in reference with transactions and in regarding all other similar events where conditions are the same as each other.

3.3. Goodwill
Accounting of business combinations in form of acquisitions are conducted using the Purchase Method. Any excess cost of investment acquisition in subsidiaries which are subject to consolidation and associated companies which are subject to applying the Equity Method to the Group's share of the net fair value of the net identifiable assets is recognised as goodwill. Goodwill will be depreciated during a 20-year period using the Straight Line Method. Goodwill arising upon acquisition of associated companies is reflected on the Consolidated Statement of Financial Position as a part of the carrying amount of long-term investments in associated companies. In addition, goodwill is reflected as cost after accumulated depreciation and accumulated impairment.

3.4. Operating revenue
3.4.1. Operating revenue is measured based on the fair value of received or receivables, less the estimated amounts relating to discounts and refunds.

3.4.2. Operating revenue from product sale is identified at the time of delivery.

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3.4.3. Operating revenue from services is identified at the time of rendering services.

3.4.4. The fees for projects implemented for other parties, are proportional to expenses incurred (according to their contracts) and are recorded in the income account following the approval of the client.

3.4.5. In order to implement some projects a partnership agreement was signed with other construction companies and specialised groups in the previous years. In accordance with such contracts, all parties have a share in the project's profit and loss and in the fixed assets which have been purchased and paid for, via the resources of the partnership in proportion to their stake which has been determined in the contract. Hence, the heading of partnerships, in the financial statements includes the carrying amount of fixed assets purchased for partnership, the share of profit and loss of each partner from the project's performance until balance sheet date as well as their current account. According to the provisions of the partnership agreement, the basis for calculating the partners' profit and loss during the time in which the project is implemented, is the costs registered at the workshop office (the costs agreed by the parties according to the partnership agreement). Having enforced the coefficient of the share of each partner, the profit and loss of his share is calculated and the difference in the profit and loss of each partner with the overall profit and loss of the project according to the Company books and having accounted for the profit and loss of the period is then reflected in the financial statements.

3.4.6. Income recognition method for contracting agreements (based on list price):
Gross profit from long-term contracting agreements are recognised and reported based on the percentage of work completed. Based on this method, income and profit of each financial period is measured by the scale of work completion. The percentage of work completed is measured based on incurred cost against total estimated cost of the contract. The percentage of a contract's profit is determined by recognition of income and profit of each agreement considering the invoices, work approved by the client and estimation of the contract's cost and income until the end of operation and based on the percentage of work completed and percentage of profit determined and then it is transferred to the Profit and Loss account. General and administrative expenditures are not accounted as cost and are not spread between contracts, rather they are treated as operating costs and recorded as expenditure in the period occurred. In the event of loss shown in the income-cost analysis, total loss will be recognised, regardless of the amount of work completed. Change in estimated profit caused by inflation or events such as changes in technical specifications, executive drawings, amounts payable to contractors and delay payment penalties require that projected income and expenditure to be revised. The Rials impact caused by the revised of financial projections will not be carried back to previous periods and will be accounted for in the current financial period. Excess estimated final cost and gross profit of an unconcluded contract over the approved invoices are recorded as assets and excess invoices over the final cost and gross profit of unconcluded agreement is recorded as debt on the Statement of Financial Position. In the course of completion of the contracts, estimated figures are regularly reviewed and revised. Cost of contract includes direct costs such as materials (including those consumed and available for consumption), site workers and supervisors' wages as well as indirect costs related to the contracting activities such as indirect wages, central repair shop expenditure and joint technical services among contracts.

3.5. Foreign exchange
3.5.1. Foreign currency monetary items are exchanged at the accessible rate (rate presented in the *Sana* System) on Statement of Financial Position date and non-monetary items have been exchanged at cost, based on currency type at the accessible rate on transaction date.

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Accessible rates are presented in the following table:

Related Balances & Transactions	Foreign Currency	Exchange Rate
Cash-Debtors-Foreign Currency Loans-Creditors	EUR	281,982
Cash-Debtors-Foreign Currency Loans-Creditors	USD	237,845
Cash-Debtors-Foreign Currency Loans	CNY	35,065
Cash-Debtors-Foreign Currency Loans	AED	62,781
Foreign Currency Cash	IQD	15,130
Foreign Currency Cash	TRY	34,078
Foreign Currency Cash	QAR	11,539
Foreign Currency Cash	KZT	600
Foreign Currency Cash	AUD	196,342

3.5.2. Differences resulting from settlement or exchange of foreign currency monetary items are recorded in the accounts in the following manner:

A) Differences in the exchange of foreign currency liabilities related to “eligible assets” are recorded at cost.

B) In other cases, they are identified as income or expenses of the period and are reflected in the Income Statement.

3.5.3. In case there are numerous exchange rates for one currency, then the exchange rate which affects future cash flows resulting from a transaction or a related account is applied. In case exchanging two currencies is not possible temporarily, then the first historical exchange rate is applied.

3.5.4. Assets and liabilities of overseas operations are exchanged at the official rate on Statement of Financial Position date and related income and expenses are exchanged at the official rate on transaction date. All differences resulting from forex are identified in the Comprehensive Income Statement and are classified under the heading of Equity in the Statement of Financial Position. In addition, differences arising from monetary items which are originally a part of net investment in foreign operations are identified in the Comprehensive Income Statement and are classified under the heading of Equity in the Statement of Financial Position until the investment is sold.

3.6. Financing costs
Financing costs, with the exception of costs directly “associated to the acquiring of eligible assets”, are recognised as cost, when occurred.

3.7. Tangible fixed assets
3.7.1. Tangible fixed tangible assets are calculated on the basis of cost. Other costs relating to tangible fixed assets which improve the situation of assets in comparison with performance standard as assessed and which lead to a boost in revenues from assets, are added to the carrying amount of assets and are depreciated over the remaining useful life of related assets. In order to sustain the asset situation in comparison with the performance standard as assessed, daily maintenance of assets expenses are identified as expense, at the time of occurrence.

3.7.2. Having put into consideration the Depreciation Instruction relating to Article 149 of Direct Taxation Act as amended on 22.07.2015 and approved in March 1989, depreciation of tangible

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fixed assets is calculated on the basis of expected economic consumption models (including useful lifespan) and the following rates and methods:

Asset	Depreciation Rate	Depreciation Method
Building	7%, 8% & 10% – 10, 25, 30 & 40 Years	Declining - Straight Line
Installations	8%, 10%, 12%, - 5, 10 & 15 Years	Declining - Straight Line
Machineries & Equipment	10%, 15%, 20% & 25% - 5,10, 15, 25 Years	Declining - Straight Line - Production Volume
Tools	100% - 4, 5 & 10 Years	Declining - Straight Line
Motor Vehicles	25%, 30% & 35%	Declining
Mines & Water Well	8 Years based on Extraction to Definite Reserve in Each Year	Straight Line
Furniture & Fixtures	3, 5 & 10 Years	Straight Line

3.7.3. Depreciation of those assets acquired and used during the month are calculated and recorded in accounts starting from the following month. Depreciation of assets (except for buildings and installations) that are ready for use but due to the work termination or any other reason are not used for over six month within a financial period, are calculated by applying 30% of the above mentioned rates. In such cases, if the calculation of fixed assets is based on period, then 70% of the time in which the asset has not been used is added to the remaining time determined for the depreciation of asset in the above table.

3.7.4. Assets relating to capital lease on the Statement of Financial Position date have been reflected in the Lease Account as an account receivable in the equivalent of the amount of net investment. Revenues during the rental period are identified and allocated at the time of receipt of installments in each financial period in a logical and systematic manner.

3.8. Intangible assets
3.8.1. Intangible assets are measured and registered in the accounts based on cost. Costs related to introducing a new product or service, advertising, expenses related to business activities in a new location or with a new group of customers and costs such as training, administrative, general and sales are not recorded at the cost of intangible assets. Identifying expenses of an intangible asset at carrying amount is terminated when the asset is ready for use. Hence, cost of reusing an intangible asset are not recorded at carrying amount.

3.8.2. Amortisation of intangible assets with specific useful lives is calculated on the basis of future economic consumption models and the following rates and methods:

Asset	Amortisation Rate	Amortisation Method
Software	3 & 5 Years-10%	Straight Line-Declining
Mine Exploration Royalty	10 Years	Straight Line

3.9. Loss of assets impairment
3.9.1. At the end of each reporting period, in case there is any evidence to show the possibility of assets impairment, the impairment test is conducted. In such cases the recoverable amount of the given asset is estimated and compared against its carrying amount. In case it is not possible to make an estimation on the recoverable amount of a single asset, then the recovered amount of the cash generating unit in which the asset belongs is determined.

3.9.2. The impairment test of intangible assets with unspecified useful life are conducted annually, regardless of existence of any evidence pointing to the possibility of impairment.

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3.9.3. The recovered amount of an asset (or the cash generating unit) is the sales value, less its costs or its economic value, whichever is greater. The economic value equals the current value of future cash flows of an asset (having applied the discount rate before tax, which represents the time value of money and risks relating to that asset for which estimated future cash flows have not been adjusted).

3.9.4. Only in case the recovered amount of an asset is less than carrying amount, the carrying amount (or its cash generating unit) is reduced by the recovered amount and the difference is immediately identified as the loss resulting from impairment in the Income Statement. Unless the asset has been revised, the excess revised amount is declined.

3.9.5. In case the recovered amount is increased at the time of identification of the latest loss (which represents the recovery of loss resulting from asset impairment (cash generating unit), the carrying amount of that asset is increased by up to the new recovered amount and at a maximum of the carrying amount of that asset assuming the loss of impairment of that asset has not been identified in the previous years. The reversal of impairment loss of an asset (cash generating unit) is immediately recorded in the Income Statement, unless that asset has been revaluated, in which case the excess revised amount is increased.

3.10. Inventory of goods and materials
Inventory of goods and materials are evaluated at “lower of cost and net realisable value” of each items. In case of excess cost compared to net realisable value, the difference is recorded as inventory impairment loss. Cost of inventories is calculated by applying the following methods:

Description	Methods
Raw Materials	Weighted Average
Product in Process	Weighted Average
Finished Product	Weighted Average
Parts & Spare Parts	Weighted Average
Other Inventories	Weighted Average

3.11. Provisions
Provisions are debts whose amounts are considerably obscure at the time of settlement. They are identified when the Company has present obligations (where due to legal requirements or market customs), as a result of previous events, or outflow of resources embodying economic benefits for the purpose of settling an obligation, in such a way that the amount of obligation can be estimated in a reliable manner.

Provisions are assessed at the end of a financial period and are adjusted for the purpose of obtaining the best possible current estimation. And provision is reversed, where any outflow of resources embodying economic benefits incurred for the purpose of settling an obligation is not possible.

3.11.1. Provision for lossmaking contracts
There are contracts whose unavoidable costs (for fulfilling contractual commitments) exceed their expected economic interests. Unavoidable costs of a contact are composed of minimum net costs of abandoning the contract or the lower of “loss from implementing the contract” and “costs of compensating the damages arising from abandoning the contract”. Sufficient provision is identified for all lossmaking contracts in the amount of present obligation relating to the loss of contracts.

3.11.2. Provision for employees’ work termination benefits
Provision for employees work termination benefit is based on one month of employees’ latest salaries and continued benefits for each year of service which shall be settled and recorded into accounts at the beginning of the upcoming financial period, according to the agreement with personnel.

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3.12. Investments

Description	Group Consolidation	Company
Measurement		
Long-term Investments:		
Investment in Subsidiaries	Subject to Consolidation	Cost Less Accumulated Impairment of Each Investment
Investment in Associates	Equity Method	Cost Less Accumulated Impairment of Each Investment
Other long-term Investments	Cost Less Accumulated Impairment of Each Investment	Cost Less Accumulated Impairment of Each Investment
Current Investments:		
Rapidly Marketable Investments	Lower of Costs & Net Realisable Value of All Investments	Lower of Costs & Net Realisable Value of All Investments
Other Current Investments	Lower of Cost & Net Realisable Value of Each Investment	Lower of Cost & Net Realisable Value of Each Investment
Income Recognition:		
Investment in Subsidiaries	Subject to Consolidation	At the Date of Profit Approval by the General Assembly of Investee Companies (until the Date of Financial Statement Approval)
Investment in Associates	Equity Method	At the Date of Profit Approval by the General Assembly of Investee Companies (until the Date of Financial Statement Approval)
Other Long-Term & Current Investments in Shares of Companies	At the Date of Profit Approval by the General Assembly of Investee Companies (until the Date of Statement of Financial Position)	At the Date of Profit Approval by the General Assembly of Investee Companies (until the Date of Statement of Financial Position)
Investment in Other Securities	At the Tome of Guaranteed Profit	At the Time of Guaranteed Profit

4. Management Judgements in the Process of Applying Accounting Procedures and Estimates

4.1. Judgements in the process of applying accounting procedures

4.1.1. Classification of investments in classifying non-current assets

Having assessed the maintenance of assets and the required liquidity, the Board of Directors intends to sustain long-term investments in the long run. The Company aims to maintain these investment for the purpose of constantly benefiting from them. Their purpose is to obtain an investment portfolio which brings revenues or leads to the growth of the Company's capital.

5. Operating Revenues

		Group		Parent Company	
	Note	2020-21	2019-20	2020-21	2019-20
		Million IRR	Million IRR	Million IRR	Million IRR
Net Sale	5-1	136,870,333	62,451,019	-	-
Services Income	5-2	4,612,352	5,578,812	-	-
Return on Investment in Subsidiaries	5-3	12,891	-	19,592,884	11,053,943
		141,495,576	68,029,831	19,592,884	11,053,943

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5.1. Net sale

	2020-21		2019-20	
	Volume	Amount	Volume	Amount
	Tons	Million IRR	Tons	Million IRR
Group:				
Domestic Sale:				
Pellet	3,524,564	78,882,819	3,849,791	34,504,293
Sponge iron	50,374	1,231,481	493,233	7,939,564
Billet	371,550	25,741,686	206,104	7,419,849
Iron Ore Concentrate	11,564	63,069	3,210	14,932
Metallurgical Coke	66,655	1,527,874	90,556	1,540,553
Ferrosilicon	16,087	1,926,781	15,716	1,487,195
Copper Pipe Products	2,726	2,980,460	2,058	1,468,930
Coal Concentrate	1,387	9,431	0	0
Fine Pellet	44,732	556,397	45,103	383,837
Slag	1,018	23,907	443	18,889
Pot Residue	573	18,769	175	5,929
Micro Silicon & Electrode Paste	1,675	4,233	1,871	4,888
Limestone & Burnt Lime	125,985	220,945		
Copper Cathode	464	453,459		
Others		352,512		347,752
		113,993,823		55,136,611
Export Sale:				
Pellet	50,802	1,965,450	465,834	5,338,142
Ferrosilicon	2,966	441,082	2,790	241,066
Copper Pipe	18	20,885	48,640	34,945
Fine Pellet	0	0	94,067	506,669
Billet	255,637	20,439,137	24,610	936,489
Sponge iron	579	12,809	-	271,662
Coke	100	6,002		
Gross Sale		136,879,188		62,465,584
Discounts		(8,855)		(14,565)
		136,870,333		62,451,019

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5.2. Services income

Company	Group	
	2020-21	2019-20
	Million IRR	Million IRR
Iranian Industrial Development & Renovation Construction (MANA)	3,111,954	3,870,185
Middle East Meyar Sanat Engineering- Contracting Work	792,194	1,520,117
Iranian Samangan Transportation- Transportation	324,133	40,946
Middle East Industry Efficient Production- Transportation	101,595	123,003
Manasaz Abyek	-	24,561
Jahani Mining-Commercial	282,476	-
	4,612,352	5,578,812

5.3. Return on investment in subsidiaries

Company	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Sirjan Iranian Steel	-	-	10,999,000	5,499,500
Butia Iranian Steel	-	-	5,500,000	1,380,000
Zarand Iranian Steel	-	-	2,999,793	3,699,745
Iranian Babak Copper	-	-	40,000	20,000
Middle East Meyar Sanat Engineering	-	-	30,000	19,000
Middle East Mines Reconstruction & Development	-	-	10,000	80,000
Middle East Shining Sun Commercial	-	-	1,200	250,000
Jahani Mining	-	-	-	85,000
Others (Subsidiaries Excluded from Consolidation)	12,891	-	12,891	20,698
	12,891	0	19,592,884	11,053,943

6. Cost of Operating revenues

	Note	Group	
		2020-21	2020-21
		Million IRR	Million IRR
Cost of Goods Sold	6-1	91,526,174	39,281,229
Cost of Services Rendered	6-2	4,471,296	6,968,770
		95,997,470	46,249,999

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6.1. Cost of goods sold is as follows:

	Group	
	2020-21	2020-21
	Million IRR	Million IRR
Direct Materials	77,193,071	25,469,701
Direct Wages	2,647,347	1,541,988
Overhead	32,443,876	16,101,025
Total Production Cost	112,284,294	43,112,714
Work in Process Inventory (Increase)	(1,248,063)	(20,528)
Cost of Finished Goods	111,016,231	43,092,186
Produced Goods Inventory (Increase)	(22,213,491)	(4,718,867)
Scraps	(159,977)	(47,415)
Others	2,863,411	955,325
	91,526,174	39,281,229

6.2. Cost of services rendered based on subsidiaries is as follows:

Company	Group	
	2020-21	2020-21
	Million IRR	Million IRR
Iranian Industrial Development & Renovation Construction (MANA)	3,362,133	4,024,844
Middle East Meyar Sanat Engineering	684,244	1,440,427
Jahani Mining-Commercial	194,115	1,417,691
Iranian Samangan Transportation	143,929	-
Middle East Industry Efficient Production	86,875	85,808
	4,471,296	6,968,770

6.3. The following table compares the nominal capacity and actual production volume of the Group:

Production Unit	Measurement Unit	Nominal Capacity	Normal Capacity (Actual)	Actual Production in 2020-21	Actual Production in 2019-20
Concentrate 1 & 2-Zarand Iranian Steel Co.	Ton	4,000,000	2,694,030	3,013,151	2,606,466
Concentrate 1 & 2-Sirjan Iranian Steel Co.	Ton	4,000,000	1,961,270	3,094,559	2,671,269
Pellet- Zarand Iranian Steel Co.	Ton	2,500,000	2,107,311	2,363,453	2,113,719
Pellet-Sirjan Iranian Steel Co.	Ton	2,500,000	1,591,724	2,305,398	2,119,215
Pellet-Butia Iranian Steel Co.	Ton	2,500,000	1,800,000	1,551,951	1,232,802
Bardsir Sponge Iron- Sirjan Iranian Steel Co.	Ton	1,000,000	665,191	762,167	790,180
Bardsir Steel-Sirjan Iranian Steel Co.	Ton	1,000,000	131,610	631,090	262,080
Coke Making 1- Sirjan Iranian Steel Co.	Ton	400,000	74,116	74,880	83,862
Coke Making 2- Sirjan Iranian Steel Co.	Ton	800,000	127,137	168,772	136,995

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7. Sales, Administrative and General Expenses

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Salaries & Wages	1,271,274	796,685	207,907	188,622
Employees' Work Termination Benefits	71,913	40,398	34,406	17,934
Bonus	32,519	16,279	62,990	30,553
Assets Depreciation	179,599	55,549	6,409	2,638
Post & Telephone	4,835	7,074	5,234	3,481
Maintenance & Repair	30,516	7,889	12,920	1,463
Audit Fee	35,299	27,605	8,925	4,020
Board of Directors' Attendance Fee & Bonus	42,761	25,319	24,069	10,450
Utilities	1,355	1,797	821	1,058
Rent	66,556	61,231	-	-
Reception	65,045	52,487	9,262	13,943
Sale & Publicity Costs	395,765	456,104	-	-
Business Travel	40,739	58,258	0	66,140
Contracting Services & Preparation of Technical Reports	68,383	104,013	50,040	-
Others	1,384,001	307,765	180,088	119,995
	3,690,560	2,018,453	603,071	460,297
Distributed among Assets under Construction	0	(235,121)	-	(227,932)
	3,690,560	1,783,332	603,071	232,365

7.1. Since during the reporting fiscal period, most of contracts with Fanap Infrastructure Company were signed directly with MIDHCO's subsidiaries, general administrative costs have not been included in assets under construction.

8. Other Revenues

	Group	
	2020-21	2019-20
	Million IRR	Million IRR
Exchange of Foreign Currency for Assets & Liabilities	278,247	-
Warehouses Adjustments	204,926	-
Reversal of Provision	106,363	-
Currency Exchange from Exports	73,381	123,052
Sale of By-products	63,116	-
Sale of Scraps	35,888	1,700
Others	89,981	26,682
	851,902	151,434

9. Other Expenses

	Group	
	2020-21	2020-21
	Million IRR	Million IRR
Currency Exchange	116,417	76,328
Sale of Scraps	12,293	4,252
Goodwill Amortisation	1,903	1,903
Warehouses Adjustments	30	70,126
Others	113,818	0
	244,461	152,609

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10. Financial Expenses

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Interest on Loans Received from Banks	20,874,305	9,520,884	1,623,221	56,907
	20,874,305	9,520,884	1,623,221	56,907

11. Other Non-operating Revenues and Expenses

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Deposits Interest	402,767	276,661	1,548	24,744
Currency Exchange Profit	64,491	12,203	729	-
Income from Investment in Other Companies' Shares	49,728	443,798	-	-
Profit from Selling Fixed Assets	26,433	19,409	-	-
Others	155,504	135,097	770	(26,968)
	698,923	887,168	3,047	(2,224)

12. Basis for Calculation of Basic EPS (Loss)

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Operating Profit (Loss)	42,414,987	19,995,325	18,989,813	10,821,578
Tax Effect	(396,587)	(537,447)	-	-
Share of Non-controlling Interests from Operating Profit	(82,732)	(66,525)	-	-
Operating Profit-Attributable to Parent Company's Owners	41,935,668	19,391,353	18,989,813	10,821,578
Non-operating Profit (Loss)	(20,175,382)	(8,633,716)	(1,620,174)	(59,131)
Tax Saving (Tax Effect)	98,168	318,861	-	-
Share of Non-controlling Interests from Non-operating Profit (Loss)	16,206	7,744	-	-
Non-operating Profit- Attributable to Parent Company's Owners	(20,061,008)	(8,307,111)	(1,620,174)	(59,131)
Net Profit (Loss)	22,239,605	11,361,609	17,369,639	10,762,447
Tax Effect	(298,419)	(218,586)	-	-
Share of Non-controlling Interests from Net Profit	(66,526)	(58,781)	-	-
Net Profit (Loss)-Attributable to Parent Company's Owners	21,874,660	11,084,242	17,369,639	10,762,447
Weighted Average of Ordinary Shares Number-Million Shares	44,984	43,091	44,984	43,091

12.1. Weighted number average of ordinary shares during the reporting period is calculated based on the changes in the number of shares stated in note 23.1. Comparative figures are also revaluated in this regard.

13. Tangible Fixed Assets

13.1. Group

	Land	Building & Installations	Machineries & Equipment	Tools	Motor Vehicles	Furniture & Fixtures	Water Well	Asset under Construction	Capital Prepayments	Base Products held by Other Parties	Assets Held in Warehouse	Orders in Transition	Total
Cost:													
Balance at Beginning of 2019-20	603,622	14,109,254	62,726,653	191,566	235,228	870,438	79,902	140,897,732	43,525,888	881	-	2,125,599	265,366,763
Increase	250,101	710,159	1,909,747	52,746	74,480	212,536	-	45,986,108	34,231,007	-	40,463	20,029	83,487,376
Handed Over	(2)	-	(7,129)	-	(8,238)	(7,433)	-	(7,565)	(38)	-	-	-	(30,405)
Currency Exchange Difference	-	-	300,176	-	-	4,492	-	9,754,928	-	-	-	-	10,059,596
Transfer from Capital Prepayment Account to Asset under Construction Account	-	-	-	-	-	-	-	15,561,950	-	-	-	-	15,561,950
Transfer from Asset under Construction Account to Inventory of Goods Account	-	-	-	-	-	-	-	(2,236,061)	-	-	-	-	(2,236,061)
Transfer from Asset under Construction	-	563,520	2,874,672	73,993	15,791	49,007	-	(3,577,192)	(15,561,949)	-	-	-	(15,562,158)
Other Transfers & Changes	243,251	865,300	5,369,466	(35,156)	(425)	5,583	-	(1,109,693)	(7,744,588)	(881)	7,677	(2,110,614)	(4,510,080)
Balance at End of 2019-20	1,096,972	16,248,233	73,173,585	283,149	316,836	1,134,623	79,902	205,270,207	54,450,320	-	48,140	35,014	352,136,981
Increase	87,877	4,691,162	1,108,359	196,278	240,014	385,018	403	125,637,691	90,436,874	-	53,355	61,094	222,898,125
Transfer from Asset under Construction to Fixed Asset	-	1,164,368	4,622,377	-	0	18,593	-	(5,811,544)	-	-	-	-	(6,206)
Transfer from Capital Prepayment Account to Asset under Construction Account	-	-	-	-	-	-	-	3,533,542	(3,533,542)	-	-	-	0
Transfer from Asset under Construction Account to Inventory of Goods Account	-	-	-	-	-	-	-	(20,831,158)	-	-	-	-	(20,831,158)
Handed Over- Decrease during Year	-	(4,176)	(5,655)	-	(15,524)	(9,908)	-	0	(3,029)	-	(15)	-	(38,307)
Currency Exchange Difference	-	1,742,370	17,963,850	71,786	-	-	-	49,227,330	46,225,065	-	-	-	115,230,401

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Other Transfers & Changes	246,903	2,875,626	17,318,926	98,598	(32,876)	(328,398)	0	(33,417,854)	(20,233,369)	0	(2,884)	(60,833)	(33,536,161)
Balance at End of 2020-21	1,431,752	26,717,583	114,181,442	649,811	508,450	1,199,928	80,305	323,608,214	167,342,319	0	98,596	35,275	635,853,675
Accumulated Depreciation:													
Balance at Beginning of 2019-20	-	1,053,083	2,777,136	43,392	155,308	684,412	17,956	-	-	-	-	-	4,731,287
Depreciation	-	709,915	2,867,574	28,958	33,127	89,614	7,434	-	-	-	-	-	3,736,622
Currency Exchange Difference	-	-	-	-	-	3,563	-	-	-	-	-	-	3,563
Accumulated Depreciation of Sold Assets	-	(138)	(4,967)	-	(6,281)	(4,312)	-	-	-	-	-	-	(15,698)
Transfers	-	(50)	470,987	(8,006)	(357)	(459,915)	-	-	-	-	-	-	2,659
Balance at End of 2019-20	-	1,762,810	6,110,730	64,344	181,797	313,362	25,390	-					8,458,433
Depreciation	-	1,266,445	4,940,713	65,852	39,351	146,130	6,573	2,483,167	-	-	-	-	8,948,231
Other Transfers & Changes	-	182,447	(545,451)	11,542	(10,793)	4,100	140	-	-	-	-	-	(358,015)
Accumulated Depreciation of Sold Assets	-	25,701	(8,264)	-	(13,290)	(7,140)	-	-	-	-	-	-	(2,993)
Balance at End of 2020-21	-	3,237,403	10,497,728	141,738	197,065	456,452	32,103	2,483,167	-	-	-	-	17,045,656
Carrying Amount at End of 2020-21	1,431,752	23,480,180	103,683,714	508,073	311,385	743,476	48,202	321,125,047	167,342,319	0	98,596	35,275	618,808,019
Carrying Amount at End of 2019-20	1,096,972	14,485,423	67,062,855	218,805	135,039	821,261	54,512	205,270,207	54,450,320	-	-	35,014	343,678,548

13.1.1. All of the Group's assets exposed to various risks had insurance coverage on the approval date of the financial statement date.

13.1.2. Increase in assets is mainly related to Sirjan Iranian Steel, Butia Iranian and Iranian Babak Copper Companies.

13.1.3. Depreciated asset under construction is related to Sirjan Iranian Steel Company.

13.1.4. Increase in building during the year, which is related to Sirjan Iranian Steel and Iranian Babak Copper amounts to IRR2,129,118 million and IRR1,112,809 million, respectively. In addition, transfer from asset under construction to heading of equipment is mainly related to Sirjan Iranian Steel Company.

13.1.5. Amounts relating to transfers and changers are mainly related to Middle East Industry Efficient Production Company. Furthermore, based on a contract between ZISCO and the Audit Organisation, and based on assessment results, previous years' items have been restated due to adjustment of assets under construction as a result of reversal of some financing costs.

13.2. Parent Company

	Land	Building	Office Equipment	Motor Vehicles	Furniture & Fixtures	Total	Asset under Construction	Capital Prepayment	Total
Cost:									
Balance at Beginning of 2019-20	120,255	102,963	4,248	3,375	9,039	239,880	1,820,170	335,724	2,395,774
Increase	-	-	1,435	-	777	2,212	1,121,514	121,563	1,245,289
Handed Over	-	-	-	(3,375)	-	(3,375)	-	-	(3,375)
Transfers	-	-	-	-	-	0	185,359	(185,359)	0
Balance at End of 2019-20	120,255	102,963	5,683	0	9,816	238,717	3,127,043	271,928	3,637,688
Increase during the Year			1,151		3,102	4,253	1,168,295	56,287	1,228,835
Handed Over			(9)			(9)			(9)
Transfers							203,729	(203,729)	-
Balance at End of 2020-21	120,255	102,963	6,825	0	12,918	242,961	4,499,067	124,486	4,866,514
Accumulated Depreciation:									
Balance at Beginning of 2019-20	-	37,098	3,354	2,786	5,455	48,693	-	-	48,693
Depreciation	-	2,497	1,000	-	1,474	4,971	-	-	4,971
Depreciation of Sold Assets	-	-	-	(2,786)	-	(2,786)	-	-	(2,786)
Balance at End of 2019-20	-	39,595	4,354	-	6,929	50,878	-	-	50,878
Depreciation		4,015	876		1,442	6,333			6,333
Balance at End of 2020-21	0	43,610	5,230	-	8,371	57,211	-	-	57,211
Carrying Amount at End of 2020-21	120,255	59,353	1,595	-	4,547	185,750	4,499,067	124,486	4,809,303
Carrying Amount at End of 2019-20	120,255	63,368	1,329	-	2,887	187,839	3,127,043	271,928	3,586,810

13.2.1. All of the Parent Company's assets exposed to various risks had insurance coverage on the approval date of the financial statement. It is noteworthy that contractor is responsible for obtaining insurance coverage possible hazards relating to assets under construction.

13.2.2. The land's account balance is due to separating the land and building of Tehran and Kerman city buildings. In addition, a number of units in the Kerman office building have been mortgaged in favour of Bank Saderat Iran a collateral against a loan received by Samangan Tarabar Iranian Company (subsidiary).

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13.3. Balance of assets under construction based on the subsidiaries is as follows:

Company	Note	2020-21	2019-20
		Million IRR	Million IRR
Sirjan Iranian Steel	13-3-1	38,017,146	24,089,491
Zarand Iranian Steel	13-3-2	198,594,069	124,048,121
Iranian Babak Copper	13-3-3	42,894,467	25,745,181
Butia Iranian Steel	13-3-4	17,567,082	10,003,183
Parent Company	13-3-5	4,499,067	3,127,043
Middle East Mines Renovation & Development		7,834,464	6,808,213
Others		11,718,752	11,448,975
		321,125,047	205,270,207

13.3.1. Sirjan Iranian Steel Company

	% of Completion		Estimated Cost for Completion	Accumulated Expenses	
	2020-21	2019-20	Million IRR	2020-21	2019-20
				Million IRR	Million IRR
Steel Making	99.55	96	2,000,000	36,575,897	20,887,737
Mine 4	-	-	-	-	2,403,290
Infrastructures	99	94	-	1,130,624	672,896
Others			120,000	310,625	125,568
			2,120,000	38,017,146	24,089,491

13.3.2. Zarand Iranian Steel Company

	% of Completion		Estimated Date for Completion	Estimated Cost for Completion	Accumulated Expenses	
	2020-21	2019-20		Million IRR	2020-21	2019-20
					Million IRR	Million IRR
Steel Making	94.6	92	June 2021	10,809,475	183,518,599	113,003,773
CDQ Project	96.87	92.7	June 2021	40,727	6,164,045	5,383,120
Khopmroud Project	17.4	11.9	September 2023	36,869,248	1,751,829	1,394,528
Other Project under Completion				-	7,159,596	4,266,700
				47,719,450	198,594,069	124,048,121

13.3.2.1. Correction of the accumulated sum relating to the Steelmaking Unit of previous years in the amount of IRR2,679,840 million is due to adjusting financing costs to weighted assets.

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13.3.3. Iranian Babak Copper Company

	% of Completion		Estimated Date for Completion	Estimated Cost for Completion	Accumulated Expenses	
	2020-21	2019-20		Million IRR	2020-21	2019-20
					Million IRR	Million IRR
Copper Cathode Project	98.2	95	December 2021	4,021,760	42,894,467	25,745,181
				4,021,760	42,894,467	25,745,181

13.3.4. Butia Iranian Steel Company

	% of Completion		Estimated Date for Completion	Estimated Cost for Completion	Accumulated Expenses	
	2020-21	2019-20		Million IRR	2020-21	2019-20
					Million IRR	Million IRR
Steel Making	54	46	2021	42,300,451	7,415,629	5,829,862
Power Plant	38	11	2022-23	50,113,946	852,648	740,695
Wastewater Network	19	3	2023-24	16,408,109	4,727,488	341,825
Infrastructures	-	-	-	5,400,000	4,571,317	3,090,801
				114,222,506	17,567,082	10,003,183

13.3.5. Parent Company

	% of Completion		Estimated Date for Completion	Estimated Cost for Completion	Accumulated Expenses	
	2020-21	2019-20		Million IRR	2020-21	2019-20
					Million IRR	Million IRR
Visual Monitoring & Information Transfer Infrastructure 1	91	75	June 2021	67,965	627,835	325,411
Visual Monitoring & Information Transfer Infrastructure 2	94	83	July 2021	74,629	943,088	597,623
Enterprise Resource Planning of MIDHCO (MIDRP)	60	46	October 2021	581,481	2,928,144	2,204,009
				724,075	4,499,067	3,127,043

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13.4. Capital prepayments and orders based on subsidiaries are as follows:

Company	Note	2020-21	2019-20
		Million IRR	Million IRR
Sirjan Iranian Steel	13-4-1	1,640,675	5,437,079
Butia Iranian Steel	13-4-2	159,268,803	44,131,542
Zarand Iranian Steel	13-4-3	5,181,488	2,560,454
Middle East Industry Efficient Productive		-	1,087,292
Iranian Babak Copper		132,523	416,345
Middle East Mines Renovation & Development		506,183	375,312
Ferro Silicon Gharb Pars		398,908	115,296
Middle East Meyar Sanat		88,331	24,480
Parent Company		71,436	271,928
Others		53,972	30,592
		167,342,319	54,450,320

13.4.1. Sirjan Iranian Steel Company

	2020-21	2019-20
	Million IRR	Million IRR
Prepayments:		
Tam Iran Khodro Co.- Steel Making	1,078,060	883,592
Gohar Energy Co.- Sirjan Site Infrastructures	33,742	33,742
Mahab Nirou Co.- Bardsir Treatment Plant Equipment	14,641	37,678
GMI Co.- Purchasing Crusher	-	142,418
Rad Nirou Industrial Projects Co.	-	13,309
Behsazan Tandis Araye Kerman Co.	11,942	11,942
Others	352,881	1,100,428
Capital Orders:		
Bardsir Steel Making	149,409	3,213,970
	1,640,675	5,437,079

13.4.2. Butia Iranian Steel Company

	Note	2020-21	2019-20
		Million IRR	Million IRR
Steel Making Orders	13-4-2-1	116,983,762	39,209,318
Electricity Infrastructure & Supply	13-4-2-2	42,277,041	4,914,224
Others		8,000	8,000
		159,268,803	44,131,542

13.4.2.1. The above balance is related to L/C 97759693 (steel making), L/C 93725401 (infrastructure) and L/C 96701264 (steel making) in the amounts of IRR94,610,436 million, IRR18,616,222 million and IRR12,255,784 million, respectively.

13.4.2.2. The above amount is mainly a prepayment to Daniali Company for steel making and power plant contract.

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13.4.3. Zarand Iranian Steel Company

	2020-21	2019-20
	Million IRR	Million IRR
Qaem Reza Industries Complex	2,129,118	1,749,270
Takin Engineering Co.	1,813,841	206,315
Others	1,238,529	604,869
	5,181,488	2,560,454

14. Goodwill

	2020-21	2019-20
	Million IRR	Million IRR
Cost at Beginning of Period	41,137	43,877
Cost of the Sold Company's Goodwill (Middle East Shining Sun Brokerage)	-	(2,740)
	41,137	41,137
Cost at Beginning of Period	(24,256)	(24,134)
Accumulated Amortisation of the Sold Company's Goodwill (Middle East Shining Sun Brokerage)	-	1,781
	(24,256)	(22,353)
Amortisation during the Period	(1,903)	(1,903)
	14,978	16,881

14.1. Consolidated goodwill is amortised according to the significant accounting procedure stated in note 3.3.

15. Intangible Assets

15.1. Group

(Amounts in million IRR)

	Utilities Subscription	Mine Exploration Royalty	Accounting Software	Others	Total
Cost:					
Balance at Beginning of 2019-20	746,806	177,631	36,532	8,174	969,143
Increase	848,190	5,520	6,681	28,225	888,616
Handed Over	-	-	-	(12)	(12)
Transfers & Adjustments	(35,910)	(8,568)	4,890	(713)	(40,301)
Balance at End of 2019-20	1,559,086	174,583	48,103	35,674	1,817,446
Increase	33,532		20,327		53,859
Handed Over	(26,174)				(26,174)
Transfers & Adjustments	15,157		183	62,071	77,411
Balance at End of 2020-21	1,581,601	174,583	68,613	97,745	1,922,542
Accumulated Amortisation:					
Balance at Beginning of 2019-20	-	(6,707)	(30,651)	(188)	(37,546)
Transfers & Adjustments	-	(16,863)	10,651	(203)	(6,415)
Amortisation	-	-	(9,963)	(485)	(10,448)
Balance at End of 2019-20	0	(23,570)	(29,963)	(876)	(54,409)
Amortisation		(7,026)	(9,700)	(5,694)	(22,420)
Balance at End of 2019-20	0	(30,596)	(39,663)	(6,570)	(76,829)
Carrying Amount at End of 2020-21	1,581,601	143,987	28,950	91,175	1,845,713
Carrying Amount at End of 2019-20	1,559,086	151,013	18,140	34,798	1,763,037

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15.2. Parent Company

	Software	Total
	Million IRR	Million IRR
Cost:		
Balance at Beginning of 2019-20	4,677	4,677
Decrease during the Year	(326)	(326)
Balance at End of 2019-20	4,351	4,351
Balance at End of 2020-21	4,351	4,351
Accumulated Amortisation:		
Balance at Beginning of 2019-20	4,653	4,653
Amortisation	0	0
Handed Over	(371)	(371)
Balance at End of 2019-20	4,282	4,282
Amortisation	69	69
Balance at End of 2020-21	4,351	4,351
Carrying Amount at End of 2020-21	-	-
Carrying Amount at End of 2019-20	69	69

16. Long-term Investment

	Note	2020-21	2019-20
		Million IRR	Million IRR
Group:			
Investment in Shares of Other Companies	16-1	7,080,784	3,585,032
On-account investment Increase	16-2	349,526	185,563
Investment in Securities & Other Investments		1,282,786	0
		8,713,096	3,770,595
Parent Company:			
Investment in Subsidiary Companies	16-3	44,354,571	39,973,631
On-account capital increase of Subsidiary Companies	16-4	347,183	2,397,178
Investment Shares of Other Companies	16-5	2,264,336	1,108,889
		46,966,090	43,479,698

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16.1. Group's investments in shares of other companies

	2020-21			2019-20
	No. of Shares	% of Investment	Million IRR	Million IRR
Rahyaft Noavar Pasargad Institute	67,893,000	12	280,000	12,000
Golfam Madan Parand Keman Co.	7,500,000	35	87,500	87,500
Golgohar Area Management & Civil Development Co.	658,000,000	14	658,000	378,025
Khatam Financial & Economic Studies Institute	-	-	-	12,500
Pishgaman Amin Sarmayeh Pasargad	45,750,000	15	52,500	6,750
Railway Transportation Development Co.	1,000,000	20	1,000	3,000
Gohar Mes Industries Development Co.	1,789,342,000	50	5,434,066	3,015,242
Wrestling Charity Fund	-	-	-	4,549
Khatam Charity Mutual Investment Fund	29,996	-	29,996	29,996
Paya Mining Sources Exploration Management	10,000,000	8	30,000	10,000
Atiyeh Khavar Miyaneh Tourism Dvelopment	5,000,000	5	5,000	520
Soroush Edalat Pasargad International Law Firm	100,000	18	100	100
Others		-	502,622	24,850
			7,080,784	3,585,032

16.2. On-account investment increase in shares of other companies

Company	2020-21	2019-20
	Million IRR	Million IRR
Rahyaft Noavar Pasargad Institute	-	173,563
Gohar Mes Industries Development	11,126	10,000
Golfam Madan Parand Keman Co.	240,900	-
Pishgaman Amin Sarmayeh Pasargad	97,500	-
Railway Transportation Development	-	2,000
	349,526	185,563

16.3. Parent Company's investment in shares of subsidiaries

Company	2020-21			2019-20
	No. of Shares	% of Investment	Million IRR	Million IRR
Zarand Iranian Steel	14,498,999,996	1.00	14,498,999	14,499,000
Sirjan Iranian Steel	10,998,999,996	1.00	10,999,000	10,999,000
Butia Iranian Steel	10,580,000,000	1.00	10,580,000	9,200,000
Iranian Babak Copper	4,000,000,000	1.00	4,000,000	3,000,000
Iranian Industrial Development & Renovation Construction (MANA)	2,949,476,320	95	3,004,545	1,003,604
Middle East Shining Sun Commercial	100,000,000	1.00	100,000	100,000
Middle East Mines Renovation & Development	999,999,000	1.00	1,000,000	999,999
Middle East Meyar Sanat Engineering	60,000,000	1.00	60,000	60,000
Jahani Mining	100,000	1.00	104,990	104,991
WMI	1,200,000	1.00	7,037	7,037
			44,354,571	39,973,631

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16.4. On-account increase in subsidiaries' capital

Company	2020-21	2019-20
	Million IRR	Million IRR
Zarand Iranian Steel	-	1,049,068
Iranian Industrial Development & Renovation Construction (MANA)	-	50,369
Gohar Mes Industries Development	-	10,000
Pishgaman Amin Sarmayeh Pasargad	97,500	6,750
Railway Transportation Development	-	2,000
Rahyaft Noavar Pasargad Institute	-	173,563
Iranian Babak Copper	-	812,450
Butia Iranian Steel	-	290,612
Jahani Mining	-	222
Middle East Shining Sun Commercial	-	2,000
Gohar Mes Industries Development	6,783	-
Golfam Madan Parand Keman	240,900	-
Others	2,000	144
	347,183	2,397,178

16.5. Investment in shares of other companies

Company	2020-21	2019-20
	Million IRR	Million IRR
Mirase Mandegar Mutual Investment Charity Fund	29,996	29,996
Wrestling Charity Fund	-	4,549
Paya Mining Sources Exploration Management	30,000	10,000
Gohar Mes Industries Development	1,789,342	973,342
Golfam Madan Parand Keman	75,000	75,000
All Assets Exposed to the Risk on Approval Date of the Financial Statements	280,000	12,000
Pishgaman Amin Sarmayeh Pasargad	52,500	750
Atiyeh Khavar Miyaneh Tourism Dvelopment	5,000	520
Others	2,498	2,732
	2,264,336	1,108,889

16.6. Subsidiaries' investment in subsidiary companies

Company	2020-21	2019-20
	Million IRR	Million IRR
Middle East Industry Efficient Productive	232,000	232,000
Iranian Samangan Transportation	323,700	120,056
Pabdana Coal Preparation	349,308	323,700
Ferro Silicon Gharb Pars	600,000	600,000
Manasaz Abyek	300,000	300,000
Fartak Research & Innovation	27,000	0
Iranian Mine & Mineral Industries Construction	80,200	0
	1,912,208	1,575,756

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16.7. Group's investment in subsidiaries subject to consolidation is as follows:

	Location	% of Investment				Main Activity
		2020-21		2019-20		
		Group	Parent Company	Group	Parent Company	
Iranian Industrial Development & Renovation Construction (MANA)	Iran	95	95	95	95	Construction Contractor
Sirjan Iranian Steel	Iran	100	100	100	100	Steel Making
Zarand Iranian Steel	Iran	100	100	100	100	Steel Making
Middle East Sun Shining Commercial	Iran	100	100	100	100	Commercial
Iranian Babak Copper	Iran	100	100	100	100	Copper Production
Middle East Meyar Sanat Engineering	Iran	100	100	100	100	Consulting services
Butia Iranian Steel- before Utilisation	Iran	100	100	100	100	Steel Making
Jahani Industrial Mining	Iran	100	100	100	100	Commercial
WMI	China	100	100	100	100	Commercial
Middle East Mines Reconstruction & Development	Iran	100	100	100	100	Mining
Middle East Industry Efficient Production	Iran	100	0	100	0	Mining Contractor
Pabdana Coal Preparation	Iran	83	0	83	0	Coal Production
Mansaz Abyek	Iran	100	0	100	0	Contracting
Iranian Samangan Tarabar	Iran	100	0	100	0	Transportation
Ferro Silicon Gharb Pars	Iran	100	0	100	0	Ferro Silicon Production
Fartak Iranian Research & Innovation	Iran	100	0	100	0	Consulting Services
Iranian Mine & Mineral Industries Construction	Iran	100	0	0	0	Services

16.7.1. Sanaye Gohar Copper Development Company is subject to consolidation, as it has three board members in the National Iranian Copper Industries Company. In addition, since this company has not been utilised and is not profitable in the audited financial statements as yet, equity methods has not been applied in preparing its financial statements.

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17. Trade and Other Receivables

17.1. Group's short-term receivables

	Note	2020-21	2019-20
		Million IRR	Million IRR
Trade:			
Notes Receivable-Other parties		21,155	713,700
Other Receivables			
Claims from Out-of-the-Group Clients in MANA Co.	17-1-1	4,046,566	5,460,382
Customers f Subsidiaries' Products	17-1-2	5,483,816	5,586,933
		9,551,537	11,761,015
Other Receivables:			
Foreign Currency Fund Held with Broker	17-1-3	6,616,562	-
Sinosteel China Corp.	17-1-4	1,580,119	886,948
Pasargad Exchange Co.	17-1-5	1,056,249	1,104,439
Deposits Receivables	17-1-6	172,015	683,965
Pasargad HR Housing Co- Related Parties	17-1-7	0	572,443
Personnel's Debt	17-1-8	159,774	159,483
L/Gs Deposit	17-1-9	35,148	40,643
Bank Pasargad-Related Parties		6,374	12,959
Modabberan Tejarat Iranian Co.		0	45,747
Hami Foolad Iranian		5,255	5,255
Atbin Co.		6,809	35,549
Ahwaz Municipality		10,064	10,064
MIDHCO's HR Housing-Related Parties		22,628	17,617
VAT		2,040,404	1,809,551
Others		1,204,974	817,665
		12,916,375	6,202,328
		22,467,912	17,963,343

Parent Company's short-term receivables

	Note	2020-21	2019-20
		Million IRR	Million IRR
Trade:			
Sirjan Iranian Steel-Related Parties	17-1-10	13,096,877	7,348,354
Zarand Iranian Steel-Related Parties	17-1-10	262,133	4,535,013
Iranian Industrial Development & Renovation Construction (MANA)-Related Parties	17-1-10	454,052	1,968,111
Middle East Meyar Sanat Engineering-Related Parties	17-1-10	449,566	424,540
Butia Iranian Steel-Related Parties	17-1-10	3,128,271	798,288
Middle East Shining Sun Commercial-Related Parties	17-1-10	336,741	285,775
Middle East Mines Reconstruction & Development-Related Parties	17-1-10	16,455	0
Others		8,560	30,255
		17,752,655	15,390,336
Other Receivables:			
Pasargad HR Housing Co- Related Parties		-	139,695
Claims from Legal Entities		68,443	45,747
Iranian National Tax Administration-Added Value	17-1-11	336,057	199,155
Others		22,002	21,096
		426,502	405,693
		18,179,157	15,796,029

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17.1.1. The above amount mainly includes claims from Sangan Steel, Tehran Engineering and Civil and Atabat Renovation Companies.

17.1.2. The above amount is for selling subsidiaries' products (mainly Zarand Iranian and Sirjan Iranian Steel Companies) to Hormozgan Steel, Esfahan Mobarakeh Steel, Khouzestan Steel and Parvat Tejarat Toos Companies.

17.1.3. The mentioned amount is the IRR equivalent of AED39,261,389 and EUR12,401,809 (earned from exports) held with the broker of Sirjan Iranian Steel Company.

17.1.4. The above account balance of CNY38,930,698 was paid to Zarand Iranian Steel Company as on-account payment for future purchase of a dewatering machine.

17.1.5. The above account balance is related to foreign currency balance of Zarand Iranian Steel, Ferro Silicon Gharb Pars and Middle East Industry Efficient Productive Companies held with Pasargad Exchange Company.

17.1.6. The above amount is the insurance deposit of contracting companies.

17.1.7. Decrease in claims is due to selling Faraz Commercial and Office Complex in previous years, by the Parent Company. This was settled during the reporting fiscal year.

17.1.8. The balance of the mentioned account mainly includes loans paid and personnel's complementary insurance share.

17.1.9. The mentioned account balance is mainly related to an L/Gs deposit obtained from Jahanin Mining Company.

17.1.10. The above amount is mainly related to approved dividends in the subsidiaries' assemblies.

17.1.11. VAT of the Company has been finalised and settled for years prior to 2016-17. In addition, even though the Iranian National Tax Administration Administration has accepted that the Company has no VAT dues for the 2017-18 and 2018-19 tax years, the Company has nevertheless, appealed against the fact that the mentioned organisation has not granted tax credit to the Company for the mentioned years. This case is currently under review. Furthermore, the Company is being assessed for VAT of 2019-20 tax year. In this regard, the Company has not been notified of the results of this assessment.

17.2. Group's long-term receivables

Company	2020-21	2019-20
	Million IRR	Million IRR
Partnerships	0	55,998
VAT	391,162	39,046
Temporary Deposits	196,958	219,604
L/Gs Deposits Held with Banks	217,038	217,038
Long-term Portion of Net Investment in Lease	102,557	113,847
Personnel (Loans)	58,636	45,290
Social Security Organisation	88,054	151,798
MIDHCO's HR Housing Co.	397,884	0
Others	267,288	63,148
	1,719,577	905,769

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18. Other Assets

	Note	Group		Parent Company	
		2020-21	2019-20	2020-21	2019-20
		Million IRR	Million IRR	Million IRR	Million IRR
Deposit Held with Banks to Obtain Loans for Personnel		171,852	59,429	37,710	37,710
Frozen Funds	18-1	356,202	208,054	-	-
Deposit Held with Other Banks		523,188	347,927	31,689	159,873
Collateral		58,890	57,897	-	-
Long-term Portion of Personnel's Loan		199,686	21,033	-	-
		26,415	28,747	-	1,193
		1,336,233	723,087	69,399	198,776

18.1. The above amount mainly includes frozen funds of Zarand Iranian Steel and Butia Iranian Steel Companies to obtain letters of guarantee and deposits held with banks to obtain loan for personnel.

19. Prepayments

	Note	Group		Parent Company	
		2020-21	2019-20	2020-21	2019-20
		Million IRR	Million IRR	Million IRR	Million IRR
Overseas Prepayments:					
Parts & Spare Parts Order	19-1	25,286,819	-	-	-
		25,286,819	0	0	0
Domestic Prepayments:					
Purchasing Goods & Services	19-2	1,934,566	924,674	-	-
Corporation Tax		0	161,083	-	-
Purchasing Parts & Spare Parts	19-3	1,999,573	868,924	-	-
Prepayments to Contractors		540,956	531,562	2,067	42,164
Fakoor San'at Co.		262,394	507,440	-	-
National Iranian Copper Industries Co.		-	-	-	-
Others		780,524	1,423,479	3,465	4,020
		5,518,013	4,417,162	5,532	46,184
Transfer to Corporation Tax Provision		(23,950)	(161,083)	-	-
Transfer to Capital Prepayments		0	(271,928)	-	-
		5,494,063	3,984,151	5,532	46,184
		30,780,882	3,984,151	5,532	46,184

19.1. The mentioned amount is mainly related to WMI Company's payments made to Chinese Yanshan Honlong Company.

19.2. The above amount is mainly related to prepayments paid by Sirjan Iranian Steel, MANA and Zarand Iranian Steel Companies in the amounts of IRR1,022,071 million, IRR374,350 million and IRR439,357 million, respectively to purchase raw materials. These prepayments were made to out-of-the-group parties.

19.3. The above amount is for purchasing parts and spare parts of Zarand Iranian Steel, Sirjan Iranian Steel and Butia Iranian Steel Companies.

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20. Inventory of Goods and Materials

Company	Note	2020-21	2019-20
		Million IRR	Million IRR
Group:			
Finished Goods	20-1	31,635,796	9,422,305
Work in Process	20-2	2,432,640	1,184,577
Raw Materials	20-3	14,684,208	8,095,910
Parts, Spare Parts & Tools	20-4	10,229,399	5,462,787
Inventory of Scraps of Sites		245,202	64,596
Installations		105,633	73,956
Consumables		640,938	294,658
Scrap Iron		97,241	45,108
Inventory of By-products		1,772,128	276,230
Inventory of Auxiliary Materials		690,844	426,681
Others		457,343	148,043
		62,991,372	25,494,851

20.1. Inventory includes concentrate product, iron ore high concentrate, sponge iron, pellet, metallurgical coke, and concentrate of Sirjan Iranian Steel, Zarand Iranian Steel and Boutia Iranian Steel Companies worth IRR13,003,369 million, IRR16,601,043 million, IRR973,009 million, respectively. Inventory also includes copper pipe products, ferro silicon, crushed pot residue and slag of Iranian Babak Copper, Ferro Silicon Gharb Pars and Middle East Mines Reconstruction & Development Companies worth IRR377,088 million.

20.2. The above amount is mainly related to semi-finished goods of Iranian Babak Copper Company.

20.3. This is mainly includes inventory of iron ore raw materials, graded iron ore and pellet of Sirjan Iranian Steel, Zarand Iranian Steel and Boutia Iranian Steel Companies in the amount of IRR7,176,392 million, IRR4,359,460 million and IRR1,224,833 million, respectively.

20.4. This is mainly related to Zarand Iranian Steel Company in the amount of IRR1,646,581 million, Sirjan Iranian Steel Company in the amount of IRR5,748,267 million, Middle East Industry Efficient Productive Company in the amount of IRR1,736,792 million and Butia Iranian Steel Company in the amount of IRR584,746 million. These amounts have been recorded in accounts at sellable rates.

20.5. Inventory of the Group's goods and materials have insurance coverage against possible hazards.

21. Short-term Investments

	2020-21			2019-20
	Cost	Impairment	Net	Net
	Million IRR	Million IRR	Million IRR	Million IRR
Group:				
Other Investments	486,855	-	486,855	1,166,196
	486,855	-	486,855	1,166,196

The above amount is mainly the deposit of Middle East Industry Efficient Productive Company held with Bank Pasargad and EN Bank which has an 18% interest rate.

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22. Cash

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Cash Held with Banks-IRR	7,674,112	4,333,574	2,508	1,223
Cash Held with Banks-Foreign Currency	5,777,733	3,465,895	-	6
Cash at Hand-IRR	44,302	9,888	425	150
Cash at Hand- Foreign Currency	35,697	227,985	938	155
Petty Cash	688,927	405,448	393	1,126
Cash in Transition & Others	313,324	48,025	-	-
	14,534,095	8,490,815	4,264	2,660

23. Capital

The capital of the Company amounts to IRR45,200,000 million including 45,200 million named shares at IRR1,000 each, all of which has been paid for. Composition of shareholders on the Statement of Financial Position date is as follows:

	2020-21		2019-20	
	No. of Shares	% of Investment	No. of Shares	% of Investment
Mabnaye Khavar Miyaneh Co. (Private J.S)	6,862,664,236	15.18	4,378,318,516	15.10
Pars Aryan Investment Co. (Public J.S)	5,368,673,277	11.88	2,548,574,994	8.79
Rahbord Sarmaye Iranian Co. (Private J.S)	4,569,997,493	10.11	2,931,441,734	10.11
Arzash Afarinan Pasargad Co. (Public J.S)	4,198,345,165	9.29	2,674,054,727	9.53
Dana Gostar Caspian Co. (Private J.S)	1,848,213,548	4.09	1,524,948,080	5.26
Tejarat Pishgan Mihannegar Pars Co. (Private J.S)	2,479,346,180	5.49	1,570,959,171	5.42
Andishe Tejarat Soroush Sahand Co. (Private J.S)	1,673,535,621	3.70	1,448,150,672	4.99
Pouya Andishan Sarzamin Mad Co. (Private J.S)	1,505,472,783	3.33	969,256,478	3.34
Pushesh Tamin Atiyeh Construction Co. (Private J.S)	1,359,059,206	3.01	871,962,772	3.01
Tose'e Tejarat Gharb Iranian Co. (Private J.S)	1,127,523,819	2.49	730,085,705	2.52
Noandish Tose'e Matin Co. (Private J.S)	838,178,439	1.85	537,769,357	1.85
Pars Hafez Management Development	1,069,997,036	2.37	841,808,517	2.90
Miras Rastin Pars Co. (Private J.S)	0	0.00	223,596,090	0.77
Hafez Andisheh Mad Co. (Private J.S)	458,054,047	1.01	357,726,498	1.23
Nasim Tejarat Farda Co. (Private J.S)	477,645,075	1.06	371,931,093	1.28
Modabberan Tejarat Iranian Co. (Private J.S)	443,235,654	0.98	276,819,878	0.95
Padideh Taban Tejarat Co. (Private J.S)	508,179,768	1.12	347,858,705	1.20
Parsian Financial Group Co.	357,223,202	0.79	317,082,759	1.09
Pasargad Leasing (Private J.S)	419,789,568	0.93	272,805,780	0.94
Armaghan Tejarat Paydar Co. (Private J.S)	450,698,564	1	289,165,012	1.00
Pasargad Insurance Co. (Public J.S)	461,492,640	1.02	346,129,087	1.19
Payamavaran Modiriyyat Iranian Co. (Private J.S)	329,174,720	0.73	0	0.00
Pasargad HR Housing Co. (Private J.S)	424,794,900	0.94	272,017,354	0.94
Pasargad Financial Group Housing Co. (Private J.S)	404,300,727	0.89	260,069,872	0.90
Other Legal Shareholders	5,678,745,966	12.56	3,055,323,348	10.54
Individuals	1,885,658,366	4.17	1,492,143,801	5.15
	45,200,000,000	100	29,000,000,000	100

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23.1. During the reporting year, the capital of the Company which was IRR29,000,000 million increased to IRR35,500,000 million a (22% of growth) paid for from cash contributions and matured claims of shareholders (the main portion of which was taken into account in the previous year under heading of capital increase in process) and it was registered on 22.04.2020. On 02.11.2020, the capital of the Company also increased to IRR45,200,000 million (a 27% of growth) funded from cash contributions and matured claims of shareholders.

24. Legal Reserve

Based on provisions of Articles 140 and 238 of the Commercial Code as Amended ratified in 1968 and Article 33 of the Article of Association, the amount of IRR5,038,324 million of allocable profit of the Parent Company and its subsidiaries during the current year and previous years was transferred to the legal reserve account. As per mentioned articles, it is mandatory that one twentieth of annual net profit must be transferred to the legal reserve account until it reaches 10% of the Company's capital. Legal reserve cannot be transferred to the Company's capital and may only be distributed among shareholders in the event of company liquidation.

25. Difference in Currency Exchange of Foreign Operations

This amount is related to the financial statements of Jahani Mining and WMI Companies according to the rates stated in the Significant Accounting Procedures note.

26. Non-controlling Interests

	2020-21	2019-20
	Million IRR	Million IRR
Capital	115,558	115,558
Legal Reserve	7,060	4,366
Retained Earnings (Loss)	11,583	(18,934)
	134,202	100,990

27. Trade and Other payables

27.1. Group's short-term payables

	Note	2020-21	2019-20
		Million IRR	Million IRR
Trade:			
Notes Payable to Other Parties		3,098,759	1,992,404
Accounts Payable to Other Parties	27-1-1	28,992,952	9,715,311
		32,091,711	11,707,715
Other Payables:			
Notes Payable		1,359,720	1,381,410
Insurance Premium Payable		2,779,118	2,982,111
Deposits for Good Performance Guarantee		6,695,218	4,397,215
Expenses Payable		851,047	70,367
Withholding Tax Payable		487,022	501,162
VAT		1,051,588	429,487
Others	27-1-2	6,363,405	5,973,110
		19,587,118	15,734,862
		51,678,829	27,442,577

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27.2. Parent Company's short-term payables

	Note	2020-21	2019-20
		Million IRR	Million IRR
Trade:			
Accounts Payable to Subsidiaries	27-1-1	346,771	112,831
Other Payables:			
Insurance Premium Payable		86,340	657,756
Iranian National Tax Administration		88,849	36,635
Deposits for Good Performance Guarantee		89,284	71,826
Others	27-1-2	3,581,987	109,456
		4,193,231	988,504

27.3. Group's long-term payables

	Note	2020-21	2019-20
		Million IRR	Million IRR
Trade:			
Notes Payable		64,564	16,320
Bank Pasargad- Related Parties	27-3-1	61,675,434	39,986,081
Others		285,770	96,704
		62,025,768	40,099,105

27.1.1. The following items form the trade accounts payable:

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Bank Pasargad-Related Parties	1,302,894	48,978	-	-
Yazd Rolling Mill Co.	12,109	14,828	-	-
Clients	1,375,822	1,566,147	-	-
Goharzamin Iron Ore Co.	0	937,980	-	-
IMIDRO	9,548,150	604,169	-	-
Golgohar Sirjan Industrial & Mining Co.	426,169	121,229	-	-
Shahdab Co.	27,882	286,175	-	-
Gohar Kav Gam Mining Co.	5,496,309	1,934,409	-	-
Yaghout Shahr Zarand Co.	122,905	165,425	-	-
SDM Co.	2,324,119	1,342,183	-	-
Parvan Tejarat Toos Mandan Mishdavan Co.	972,827	326,735	-	-
Kansar Foolad Makran Co.	128,658	148,064	-	-
Bahar Tejarat Partak Co.	146,477	154,008	-	-
Sa'adat Tarabar Transportation Co.	51,717	75,480	-	-
Suspended Purchase Account (Mainly for Purchasing Parts of Iranian Babak Copper Co.)	1,052,289		-	-
Middle East Industry Efficient Productive Co. Related Parties	-	-	43,525	44,000
Iranian Babak Copper Co. Related Parties	-	-	0	-
Ferro Silicon Gharb Pars Co. Related Parties	-	-	150,254	30,559
Middle East Meyar San'at Co. Related Parties	-	-	-	14,823
Pasargad IT & ICT Co. Related Parties	76,874	12,398	61,193	12,398
Jahani Mining Co. Related Parties	-		808	-
Pabdana Coal Preparation Co. Related Parties	-		90,204	-
Others	5,927,751	1,987,103	787	11,051
	28,992,952	9,715,311	346,771	112,831

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27.1.2. The following items form the other accounts payable:

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Pasargad Insurance Co. Related Parties	910,265	37,477	756,676	-
Iranian Babak Copper Co Related Parties	-	-	2,680,015	
TAMIDHCO- Related Parties	212,126	36,699	-	-
Partnerships	441,931	83,256	-	-
Foolad Technic Co.	5,428	124,614	-	-
Personnel	573,774	587,896	-	-
Kerman Regional Power	62,412	135,940	-	-
Fakoor Sana't Co.	23,447	293,286	-	-
Unused Preferential Right	109,011	71,915	109,011	71,915
Others	4,025,011	4,602,027	36,285	37,541
	6,363,405	5,973,110	3,581,987	109,456

27.3.1. The amount of IRR3,044,131 million (equivalent of CNY75 million) of the above amount is for 85% of an L/C for the pelletising unit and the amount of IRR58,631,303 million (equivalent of CNY1,455 million) is for 85% of an L/C for the steel making unit of Zarand Iranian Steel Company, for which honouring letters have been issued and their funds have been paid to the partnership. It is noteworthy that the L/C for the pelletising unit (as a four-year finance) and the L/C for the steel making unit (as a five-year finance) have been exchanged at the free foreign currency exchange rate (NIMA System).

28. Loans

	Note	2020-21 Million IRR			2019-20 Million IRR		
		Current	Long-term	Total	Current	Long-term	Total
Group:							
Loans Received	28-1	213,684,254	354,657,713	568,341,967	67,741,995	218,328,438	286,070,433
		213,684,254	354,657,713	568,341,967	67,741,995	218,328,438	286,070,433
Parent Company:							
Loans Received	28-1	121,500	-	121,500	13,462,428	-	13,462,428
		121,500	0	121,500	13,462,428	0	13,462,428

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28.1. Based on financiers

	Note	Group				Parent Company	
		2020-21		2019-20		2020-21-	2019-20
		IRR	Foreign Currency	IRR	Foreign Currency	IRR	IRR
		Million IRR	Million IRR	Million IRR	Million IRR	Million IRR	Million IRR
Bank Pasargad-Related Parties		642,599,425	-	300,520,055	-	-	13,709,181
Bank of Industry & Mine		11,859,567	-	4,253,400	-	-	-
Saman Bank		121,500	-	142,486	-	135,000	142,486
Pasargad Insurance-Related Parties		1,140,800	-	1,113,088	-	-	-
Bank Saderat Iran		161,223	-	194,462	-	-	-
National Development Fund	28-5	-	41,849,289	-	63,602,562	-	-
Other Banks		245,674	-	2,382,557	-	-	-
		656,128,189	41,849,289	308,606,048	63,602,562	135,000	13,851,667
Future Years' Interest & Commission		(129,436,238)	0	(86,129,177)	-	(13,500)	(389,239)
Frozen Deposits		(199,273)	-	(9,000)	-	-	-
		526,492,678	41,849,289	222,467,871	63,602,562	121,500	13,462,428
Long-term Portion		(312,808,424)	(41,849,289)	(154,725,876)	(63,602,562)	-	-
Short-term Portion		213,684,254	0	67,741,995	0	121,500	13,462,428

28.2. Based on interest rate and commissions

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
25% & Above	53,286,788	2,678,550		-
10% to 25%	442,036,134	278,856,289	121,500	13,462,428
1% to 10%	73,019,045	4,535,594		-
	568,341,967	286,070,433	121,500	13,462,428

28.3. Based on payment schedule

	Group	Parent Company
	2020-21	2020-21
	Million IRR	Million IRR
2021-22	213,684,254	121,500
After 2021-22	354,657,713	-
	568,341,967	121,500

28.4. Based on collateral type

	Group	Parent Company
	2020-21	2020-21
	Million IRR	Million IRR
Land, Building, Machineries & Collateral	167,131,394	-
Cheques & Promissory Notes	811,740,547	121,500
MIDHCO's Shares	33,306,638	-
	1,012,178,579	121,500

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28.5. Terms and conditions of foreign currency loans (in view of requirements of Article 20 of Eliminating Obstacles of Competitive Production Enhancing Iran's Financial System Act) obtained by two subsidiaries of the MIDHCO, from the National Development Fund through the Bank of Industry & Mine as the correspondent bank are stated below:
In previous years, ZISCO obtained foreign a currency facility from the Bank of Industry & Mine (in the framework of the Industry & Mine Amayesh Project) in the total amount of EUR20 million. This facility which is a letter of credit for the Coke Making Project, matured within a 33-month period and its interest rate is 7%. So far, the sum of EUR1,942,780 has been paid as down payment. The principal sum and interest of the above dues amounted to EUR27,717,750 on financial position statement date. This amount has been exchanged and recorded in the accounts based on the NIMA accessible rate. Furthermore, Pabdana Coal Company has received a loan from the above bank in the amount of EUR6,058,330, of which EUR1,035,134 for being subject to Article 20 of Eliminating Obstacles of Competitive Production Enhancing Iran's Financial System Act and EUR1,918,473 as four instalments had been paid by the reporting date. in spite of the ruling (2636 dated 21.12.2020) in favour of the Company, passed by the Administrative Tribunal, the exact means of settling the above loans is pendent upon results of negotiations between the Company and the Bank as well as proper authorities. This is due to economic circumstances and foreign currency fluctuations.

29. Provision for Employees' Work Termination Benefits

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Balance at Beginning of Year	293,335	214,354	14,710	11,755
Paid during Year	(198,303)	(69,696)	(16,566)	(10,788)
Exchange Difference	18,856	(1,724)	-	0
Provision	379,940	150,401	22,499	13,743
Balance at End of Year	493,828	293,335	20,643	14,710

30. Tax Payable

	Note	2020-21			2019-20		
		Provision	Notes Payable	Total	Provision	Notes Payable	Total
		Million IRR	Million IRR	Million IRR	Million IRR	Million IRR	Million IRR
Group	30-1	643,530	-	643,530	1,314,539	-	1,314,539
Parent Company	30-2		-	-	-	-	-
		643,530	0	643,530	1,314,539	-	1,314,539

30.1. Turnover of the Group's tax account payable

	2020-21	2019-20
	Million IRR	Million IRR
Balance at Beginning of Year	1,314,539	1,461,663
Corporation Tax Provision for the Year	298,419	218,586
Adjustment of Tax Provision of Previous Years	(492,735)	0
Paid during Year	(452,743)	(203,911)
	667,480	1,476,338
Tax Prepayments	(23,950)	(161,799)
	643,530	1,314,539

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30.1.1. Zarand Iranian Steel, Sirjan Iranian Steel and Butia Iranian Steel Companies enjoy exemptions stated in Article 132 of the Direct Taxation Law.

30.2. A summary of the Company's tax payable is as follows:

Fiscal Year	2020-21 Million IRR							2019-20 Million IRR	Recognition Method
	Declared Profit (Loss)	Declared Taxable Income	Tax				Balance Payable		
			Declared	Recognised	Final	Paid			
2017-18	4,532,893	-	-	172	172	172	-	-	Book Assessment
2018-19	7,059,601	-	-	75	75	75	-	-	Book Assessment
2019-20	10,762,447	-	-	63	63	63	-	-	Under Assessment
2020-21	17,369,639	-	-	-	-	-	-	-	

20.1. Corporation tax of the Company has been finalised and settled for the years prior to 2019-20.

20.2. Corporation tax of the Company has been assessed for the years prior to 2019-20. However, the Company was not notified of the assessment results by the approval date of the financial statements.

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31. Dividend Payable

	2020-21	2019-20
	Million IRR	Million IRR
Parent Company:		
Years Prior to 2018-19	27,048	93,293
2018-19	26,145	310,771
2019-20	31,553	0
	84,746	404,064
Group:		
Minority Interest	0	62,236
	84,746	466,300

31.1. Balance of dividends is due to these shareholders who have not disclosed their bank account number to the Company (so that the Company can deposit their dividends in their bank account) and have not visited the Codal website (www.codal.ir) in order to receive their dividends.

32. Provisions

		Group	
	Note	2020-21	2019-20
		Million IRR	Million IRR
IMIDRO's Portion	32-2	1,948,185	-
Provision for Expenses	32-1	502,502	408,000
Provision for Contracts Insurance		807,619	329,749
Provision for Bonus		764,348	147,157
Invoices of Finished Works		34,802	357,446
Provision for Projects' Loss		30,240	14,769
Finance Interest		-	274,304
Audit		3,835	8,370
Others		487,908	391,435
		4,579,439	1,931,230

32.1. IMIDRO's portion from the contract with Iranian Sirjan Steel Company is 35%.

32.2. The above amount is mainly due to the invoices of contractors and purchasing invoices at Jahani Mining Company, whose documents were reviewed by the date of preparation of this report and the mentioned account shall be adjusted following approval.

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33. Advances Received

	Group	
	2020-21	2019-20
	Million IRR	Million IRR
Esfahan Mobarakeh Steel Co.	539,275	1,288,883
Ghadir Neyriz Co.	207,775	422,368
Hormozgan Steel Co.	-	281,798
Soorena Pardaz Isatis Co.	167,837	167,837
Parvan Tejarat Toos Co.	-	490,103
Ingot & Pellet Exports (Mainly Exporting Sirjan Iranian Steel Company's Products)	1,575,752	931,422
Pars Foolad Jam Co.	-	117,226
IMIDRO	1,115,399	214,779
Others	3,259,432	363,484
	6,865,470	4,277,900

34. Correcting Errors

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Reversal of Financing Costs of Assets under Construction	(2,679,840)	(2,679,840)	-	-
Tax Payment	(492,735)	(840,278)	-	-
Correcting Income	-	-	-	3,559
Other Accounts Receivable	(188,288)	(188,288)	-	-
Other Accounts Payable	(319,563)	(374,408)	-	-
	(3,680,426)	(4,082,814)	0	3,559

34.1. In order to clarify the financial position and operations' results, all related comparative information in the financial statements have been adjusted and restated. Therefore, some comparative items do not necessarily conform to financial statement of the previous fiscal year.

34.1.1. Correction and representation of the financial statements of the Group ended 19.03.2020

	According to the Financial Statements Ended 19.03.2020	Adjustments		(Restated) 19.03.2020
		Correcting Errors	Reclassification	
	Million IRR	Million IRR	Million IRR	Million IRR
Statement of Financial Position:				
Tax Payable	821,804	492,735		1,314,539
Trade & Other Receivables	18,761,156	(188,288)	(609,525)	17,963,343
Trade & Other Payables	27,370,291	319,563	(247,277)	27,442,577
Provisions	2,167,333		(236,103)	1,931,230
Tangible Fixed Assets	346,654,516	(2,679,840)	(296,128)	343,678,548
Intangible Assets	1,763,039		(2)	1,763,037
Prepayment	3,829,759		154,392	3,984,151
Provision for Employees' Work Termination Benefits	293,335			293,335
Loans	67,502,691		239,304	67,741,995
Cash	8,689,457		(198,642)	8,490,815
Advances Received	4,928,881		(650,981)	4,277,900
Retained Earnings	10,512,087	(3,625,581)		6,831,661
Non-controlling Interest	155,835	(54,845)		100,990

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34.1.2. Correction and restatement of the financial statements of the Group ended 20.03.2019

	According to the Financial Statements Ended 20.03.2019	Adjustments		(Restated) 20.03.2019
		Correcting Errors	Reclassification	
	Million IRR	Million IRR	Million IRR	Million IRR
Statement of Financial Position:				
Tangible Fixed Assets	263,419,038	(2,679,840)	(103,722)	260,635,476
Intangible Assets	935,476		(3,879)	931,597
Tax Payable	163,572	840,278	457,813	1,461,663
Trade & Other Receivables	11,244,696	188,288	24,423	11,457,407
Prepayment	2,031,469		30,274	2,061,743
Trade & Other Payables	18,967,599	374,408	(20,197)	19,321,810
Provisions	3,769,655		(27,233)	3,742,422
Provision for Employees' Work Termination Benefits	208,196		38,271	246,467
Loans	82,113,042		92,261	82,205,303
Retained Earnings	7,883,737	(4,027,969)		3,855,768
Non-controlling Interests	112,047	(54,845)		57,202
Other Assets	783,139		(5,548)	777,591
Inventory of Goods & Materials	11,197,365		(4,512)	11,192,853
Cash	2,805,801		299,527	3,105,328

34.1.3. Correction and restatement of the financial statements of the Parent Company ended 19.03.2020

	According to the Financial Statements Ended 19.03.2020	Adjustments		(Restated) 19.03.2020
		Correcting Errors	Reclassification	
	Million IRR	Million IRR	Million IRR	Million IRR
Statement of Financial Position:				
Other Assets	212,280		(13,505)	198,776
Intangible Assets	64		5	69
Loans	13,475,928		(13,500)	13,462,427
Long-term Investment	43,481,100		(1,402)	43,479,698
Short-term Investment	1,098		(1,098)	0
Trade & Other Receivables	15,792,199		3,830	15,796,029
Trade & Other Payables	1,001,877		(13,374)	988,504
Provision for Employees' Work Termination Benefits	0		(14,710)	(14,710)

34.1.4. Correction and restatement of the financial statements of the Parent Company ended 20.03.2019

	According to the Financial Statements Ended 20.03.2019	Adjustments		(Restated) 20.03.2019
		Correcting Errors	Reclassification	
	Million IRR	Million IRR	Million IRR	Million IRR
Statement of Financial Position:				
Retained Earnings	7,817,758	3,559		7,821,317
Trade & Other Receivables	12,745,099	3,559		12,748,658
Short-term Investment	89,374		(89,374)	0
Long-term Investment	32,721,921		89,374	32,811,295
Trade & Other Payables	663,382		7,900	671,282
Advances Received	7,900		(7,900)	0

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35. Cash from Operations

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Net Profit	21,941,186	11,143,023	17,369,639	10,762,447
Adjustments:				
Corporation Tax Costs	298,419	218,586	-	834
Financing Costs	20,874,305	8,059,366	1,623,221	56,907
Profit from Sales Tangible Fixed Assets	(26,433)	(19,407)	-	-
Return on Investments	-	(282,001)	-	-
Net Increase (Decrease) in Provision for Work Termination Benefits	200,493	92,657	5,933	-
Non-current Assets Depreciation	6,489,439	3,737,884	6,402	10,791
Dividend	(49,728)	(648,304)	-	(330,624)
Deposit Interest	(402,767)	(199,058)	(1,548)	-
Foreign Exchange	(64,491)		(729)	-
Assets Impairment	-	22,533	-	-
Other Adjustments (Including Adjusting Fixed Assets)	20,069,976	(307,314)	-	(2,224)
	69,330,399	21,817,965	19,002,918	10,498,131
Changes of Capital In Process:				
Operational Receivables Decrease (Increase)	(4,193,086)	(5,664,612)	(16,613,424)	(11,964,818)
Inventory of Goods & Materials Decrease (Increase)	(16,665,363)	(14,301,998)	-	-
Operational Prepayments Decrease (Increase)	(26,796,731)	(1,768,016)	40,652	(16,227)
Operational Payables Increase (Decrease)	(69,018,920)	(23,022,731)	524,680	370,791
Operational Advances Received Increase (Decrease)	1,936,589	3,706,402	-	(7,900)
Provisions Increase	2,412,106	-	-	-
Other Assets Decrease (Increase)	(613,146)	54,504	129,377	120,420
Cash from Operations (Unused)	(43,608,152)	(19,178,486)	3,084,203	(999,603)

36. Non-cash Transactions

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Capital Increase from Shareholders' Matured Claims	9,700,000	17,868,374	9,700,000	6,368,374
Acquiring Capital Assets against Loans Received	30,945,502	10,333,666	-	-
Increase in Investments in Favour of Receivables	-	10,280,808	16,910,575	10,278,108
Transfer of Principal Amount of Loans & Taking Their Interest into Investment in Shares Account	-	-	14,964,149	
Others	1,768,510	170	-	
	42,414,012	38,482,848	41,574,724	16,646,482

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37. Asset Management and Group Risks

37.1. Asset Management

The Company manages its capital to ensure that can continue its activities while maximising returns for its beneficiaries via optimising the balance and capital. The Company's capital structure includes net liabilities and equities.

The Company's Risk Management Committee reviews the capital structure once every six months. As a part of this review, the Committee considers capital costs and risks related to each level of the capital. The Company has a target leverage ratio of between 20% and 25%.

37.1.1. Leverage ratio

Leverage ratios at the end of the reporting period are as follows:

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Total Liabilities	694,713,577	361,895,419	4,399,477	14,854,996
Cash	(14,534,095)	(8,490,815)	(4,264)	(2,660)
Net Liabilities	680,179,482	353,404,604	4,395,213	14,852,336
Equity	68,850,953	45,960,863	65,613,605	48,240,520
Net Liability to Equity Ratio (%)	10.09	7.87	0.07	0.31

37.2. Objectives of financial risk management

The Company's Risk Management Committee offers services to coordinate access to domestic and foreign financial markets and to monitor and manage financial risks concerning the Company's operations, through internal risk reports which analyse and categorise the scale of vulnerability based on degree and measure. These risks include market (including forex rate and other risk prices), credit, and liquidity risks. The Company's Risk Management Committee which supervise risks and taken policies to reduce vulnerabilities arising from risks provide the Board of Directors with quarterly reports.

Due to the nature of its operations, the Company is exposed to the risk of foreign currency exchange rate fluctuations. The Company takes the following measures to manage vulnerabilities arising from forex risk:
Market risk is measured following analysing sensitivity, by which, we mean assessment of rational and possible changes in the foreign exchange rates during the course of the year. Long-term assessment of sensitivity complements value at risk which ultimately helps the Company analyses its exposure to market risks. Since the selling rates of steel products are based on international markets, the Company's exposure to market risk and means of measuring and managing this risk have remained unchanged.

37.3. Foreign currency risk management

Since some of the Company's transactions are in foreign currency, it becomes exposed to forex risk. Vulnerability from forex rate fluctuations are managed via sale (international rate) Carrying amount of foreign currency monetary assets and liabilities are stated in note 39.

37.4. Credit risk Management

Credit risk represents financial loss on the Corporation as a result of a party failing to fulfil his/her contractual commitments. In order reduce its credit risk which results from the inability of customers to fulfill their obligations, the Company has adopted a policy, whereby it only deals with credible counterparts and in some cases it obtains adequate collateral so that the credit risk arising from customers' inability to fulfil their commitments are minimised. The Company only deals with those

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companies which have a high credit rating. The Company uses general financial information and its own transaction records to rate its major customers. The Company's vulnerability and credit rating of its counterparts are continuously monitored and the total value of transactions with approved counterparts are developed. Credit vulnerability is assessed, approved and controlled via the Risk Management Committee through limitations of counterparty, on an annual basis. Trade receivables include a large number of customers engaged in a wide variety of activities and located in different geographical proximities. Constant credit assessment is conducted on the basis of financial position of accounts receivable. In addition, the Company does not take any collateral, nor does it apply any methods to raise credit for the purpose of covering credit risk of its financial assets.

37.5. Liquidity risk management
The Board of Directors are responsible for liquidity risk. The Company has adopted a framework suitable for short-term and long-term management of raising cash and liquidity management requirements. In order to manage their liquidity risk, the Company maintain sufficient reserves and constantly monitor their forecasted and actual cash flows and correspond their asset and liability maturities.

37.6. Risk of other rates
The Company is exposed to the risk of fluctuation of rates of securities. In line with strategic objectives, the Company maintain these investments and does not actively exchange this kind of investment. Other investments in shares are also maintained in order for exchange objectives.

38. Foreign Currency Position

Foreign currency monetary assets and liabilities of the Group at the end of the period are as follows:

Group:

	2020-21								
	USD	EUR	AUD	AED	TRY	QAR	IQD	CNY	KZT
Foreign Currency Assets:									
Cash	101,904	19,976,829	820	75,291,206	692	582	18,564,950	6,623,077	73,200
Accounts & Notes Payable	665,868	6,619,443	-	12,761,469	-	-	1,231,479	40,004,201	-
Foreign Currency Liabilities:									
Accounts & Notes Payable	(102,431,395)	(53,857,618)	-		-	-	-	(2,666,666,739)	-
Loans	(295,488,244)	(74,584,598)	-	-	-	-	-	(1,212,863,212)	-
Net Asset (Liability)	(397,151,867)	(101,845,944)	820	88,052,675	692	582	19,796,429	(3,832,902,673)	73,200
IRR Equivalent-Million IRR	(94,460,586)	(28,718,723)	161	5,528,035	24	7	299,520	(134,400,733)	44
Net Monetary Foreign Currency Assets (Liabilities) on 19.03.2020	(1,412,772,188)	(38,288,515)	-	7,151,112	495	582	(42,893,081)	(4,028,951,826)	-
IRR Equivalent of Net Monetary Foreign Currency Assets (Liabilities) on 19.03.2020- Million IRR	(209,090,284)	(6,375,344)	-	272,493	12	27	(481,689)	(92,262,997)	-

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Parent Company:

	2020-21		
	USD	EUR	AUD
Cash	616	1,914	820
Total Monetary Foreign Currency Assets	616	1,914	820
IRR Equivalent-Million IRR	147	540	161
Net Monetary Foreign Currency Assets (Liabilities) on 19.03.2020	616	1,914	820
IRR Equivalent of Net Monetary Foreign Currency Assets (Liabilities) on 19.03.2020- Million IRR	122	485	149

39.1. Group' transactions with related parties (excluding companies subject to consolidation)

(Amounts in million IRR)

Company	Related Party	Type of Association	Raw materials Purchase	Loans Received-IRR	Loans Received-Foreign Currency	Loans Payables	Goods & Services Purchase	Goods & Services Sale	Cash Received/ Payment	Dividends	Clams Repayment	Other Transactions	Collaterals
Middle East Meyar Sana'at	TAMIDHCO	The same Category Company	-	-	-	-	-	-	-	-	-	9,940	-
	Pasargad Support Services Co.	The same Category Company	-	-	-	-	-	-	17,422	-	-	14,701	-
	Atiyeh Iranian Management Development Co.	The same Category Company	-	-	-	-	-	-	1,851	-	-	2,626	-
Middle East Industry Efficient Productive Co.	Bank Pasargad	Final Entity	-	72,298,368	-	22,718,444	-	-	-	-	-	-	-
	Pasargad Exchange	The same Category Company	-	-	-	-	-	-	328,215	-	-	-	-
	TAMIDHCO	The same Category Company	-	-	-	-	17,500	-	14,526	-	-	-	-
MANA	Bank Pasargad	The same Category Company	-	3,807,434	-	3,361,577	-	-	-	-	-	-	-
	Middle East Shining Sun Brokerage Co.	The same Category Company	-	-	-	-	-	-	-	-	-	455	-
	Nasim Salamat Pasargad	The same Category Company	-	-	-	-	-	358,610	246,858	-	-	-	-
Ferro Silicon Gharb Pars	Pasargad Insurance	The same Category Company	-	-	-	-	20,186	-	-	-	-	-	-
	Bank Pasargad	The same Category Company	-	1,392,153	-	-	-	-	-	-	-	-	-
	Atiyeh Omid Iranian Management Development	The same Category Company	-	-	-	-	1,662	-	-	-	-	-	-
	TAMIDHCO	The same Category Company	-	-	-	-	3,442	-	-	-	-	-	-
Fartak Iranian Research & Innovation	TAMIDHCO	The same Category Company	-	-	-	-	198	-	-	-	-	-	-
Iranian Samangan Transportation	TAMIDHCO	The same Category Company	-	-	-	-	-	14,428	13,382	-	-	-	-

Middle East Mines & Mining Industries Development Holding Company (Public Joint Stock)
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Company	Related Party	Type of Association	Raw materials Purchase	Loans Received-IRR	Loans Received-Foreign Currency	Loans Payables	Goods & Services Purchase	Goods & Services Sale	Cash Received/ Payment	Dividends	Clams Repayment	Other Transactions	Collaterals
Iranian Babak Copper	Pasargad Insurance	The same Category Company	-	-	-	-	-	-	90,218	-	-	64,622	-
	Pasargad Financial Group Housing	The same Category Company	-	-	-	-	1,065	-	1,065	-	-	-	-
	TAMIDHCO	The same Category Company	-	-	-	-	19,413	-	17,988	-	-	-	-
	Atiyeh Omid Iranian Management Development	The same Category Company	-	-	-	-	1,090	-	2,056	-	-	-	-
Butia Iranian Steel	TAMIDHCO	The same Category Company	-	-	-	-	45,107	-	-	-	42,039	-	-
	Pasargad Insurance	The same Category Company	-	-	-	-	52,565	-	-	-	23,003	-	-
Pabdana Coal Preparation	Madanjoo	Shareholder	955,211	-	-	-		-	(884,925)	11,900	-	-	-
	Kerman Coal Industry Investment	Shareholder	-	-	-	-		-	(22,492)	17,000	-	-	-
Middle East Mines Renovation & Development	Bank Pasargad	The Same Category Company	-	8,217,030	-	-	1,746	-	-	-	-	-	-
	TAMIDHCO	The Same Category Company	-	-	-	-	2,244	-	-	-	-	-	-
	Peysazan Zarrin Pasargad	The Same Category Company	-	-	-	-	150	-	-	-	-	-	-
	Pasargad Insurance	The Same Category Company	-	-	-	-	32,679	-	-	-	-	-	-
GMI	Atiyeh Omid Iranian Management Development	The Same Category Company	-	-	-	-	974	-	876	-	-	-	-
	HR Tamin Atiyeh	The Same Category Company	-	-	-	-	2,242	-	2,063	-	-	-	-

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Company	Related Party	Type of Association	Raw materials Purchase	Loans Received-IRR	Loans Received-Foreign Currency	Loans Payables	Goods & Services Purchase	Goods & Services Sale	Cash Received/ Payment	Dividends	Clams Repayment	Other Transactions	Collaterals
Sirjan Iranian Steel	Bank Pasargad	The Same Category Company	-	9,371,627	8,737,580	-	-	-	-	-	-	-	342,000
	Gohar Pooyan Kam	Common Board Member	-	-	-	-	12,713,749	-	10,193,749	-	-	-	-
	Pasargad Insurance	The Same Category Company	-	-	-	-	41,508	-	409,043	-	-	-	-
	Middle East Shining Sun Brokerage	The Same Category Company	-	-	-	-	12,336	-	22,153	-	-	-	-
	TAMIDHCO	Main Supplier of Materials	-	-	-	-	573,556	-	600,889	-	-	-	63,356
Zarand Iranian Steel	Pasargad Insurance	The Same Category Company		920,000	-	919,200	203,429	-	21,360	-	-	-	-
	Bank Pasargad	The Same Category Company	-	170,107,600	-	136,349,635	-	-	-	-	-	-	-
	TAMIDHCO	The Same Category Company	-	-	-	-	541,483	-	-	-	-	-	-
	Fanap	The Same Category Company	-	-	-	-	22,710	-	(17,290)	-	-	-	-
Total			955,211	266,114,212	8,727,580	163,348,856	14,311,034	373,038	11,059,006	28,900	65,042	92,344	405,356
MIDHCO	Pasargad Aryan IT & ICT	Common Board Member	-	-	-	-	957,500	-	-	-	-	-	-
	Pasargad Aryan IT & ICT Infrastructure	The Same Category Company	-	-	-	-	407,832	-	-	-	-	-	-
	Pasargad Aryan Support Services	The same Category Company	-	-	-	-	15,601	-	-	-	-	-	-
Total			0	0	0	0	1,380,933	0	0	0	0	0	0
Total			955,211	266,114,212	8,727,580	163,348,856	15,691,967	373,038	11,059,006	28,900	65,042	92,344	405,356

Middle East Mines & Mining Industries Development Holding Company (Public Joint Stock)
Notes to the Financial Statements
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39.2. Final balance of the Group's related parties

(Amounts in million IRR)

Company	Related Party	Type of Association	Trade & Non-trade Receivables	Trade & Non-trade Payables	Advances Received	Long-term Payables	Loans Received-IRR	Loans Paid-IRR	Loans Paid-Foreign Currency	Prepayments	2020-21		2019-20	
											Claim	Debt	Claim	Debt
Middle East Industry Efficient Productive	Bank Pasargad	Main & Final Entity	0	0	0	0	70,932,537	0	0	-	0	(70,932,537)	0	0
	Pasargad Exchange	The Same Category Company	328,215	0	0	0	0	0	0	-	328,215	0	0	0
	TAMIDHCO	The Same Category Company	0	2,974	0	0	0	0	0	-	0	(2,974)	0	0
Fartak Iranian Research & Innovation	TAMIDHCO	The Same Category Company	12	41	-	-	-	-	-	-	0	(29)	0	0
Middle East Meyar Sana'at	Atiyeh Iranian Management Development	The Same Category Company	0	-	-	-	-	-	-	-	0	0	0	325
	Pasargad Supporting Services	The Same Category Company	1,243	3,071	-	-	-	-	-	-	0	(1,828)	893	0
	TAMIDHCO	The Same Category Company	781	11,670	-	-	-	-	-	-	0	(10,889)	0	952
Pabdana Coal Preparation	Madanjoo	Shareholder	-	145,060	-	-	-	-	-	-	-	(145,060)	0	86,674
	Kerman Coal Industry Investment	Shareholder	-	-	-	-	-	-	-	-	0	0	0	5,492
Iranian Babak Copper	Pasargad Insurance	The Same Category Company	-	11,380	-	-	-	-	-	-	0	(11,380)	0	166,220
	TAMIDHCO	The Same Category Company	-	3,073	-	-	-	-	-	-	0	(3,073)	0	1,649
	Atiyeh Iranian Management Development	The Same Category Company	-	-	-	-	-	-	-	628	628	-	0	0
MANA	Nasim Salamat Pasargad	The Same Category Company	145,799	0	32,690	-	-	-	-	-	113,109	-	0	224,861
	Bank Pasargad	The Same Category Company	-	1,840,909	-	-	-	-	-	-	0	(1,840,909)	0	1,440,674
	Middle East Shining Sun Brokerage	The Same Category Company	-	-	-	-	-	-	-	-	-	-	0	14,909
Fartak Iranian	TAMIDHCO	The Same Category Company	-	-	-	-	-	-	-	-	-	-	0	125
Butia Iranian Steel	TAMIDHCO	The Same Category Company	-	14,109	-	-	-	-	-	-	-	(14,109)	0	1,382
	Pasrgad Insurance	The Same Category Company	-	13,212	-	-	-	-	-	-	-	(13,212)	0	28,900

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Company	Related Party	Type of Association	Trade & Non-trade Receivables	Trade & Non-trade Payables	Advances Received	Long-term Payables	Loans Received-IRR	Loans Paid-IRR	Loans Paid-Foreign Currency	Prepayments	2020-21		2019-20	
											Claim	Debt	Claim	Debt
Iranian Sirjan Steel	Bank Pasargad	The Same Category Company	-	-	-	-	41,821,153	-	42,389,538	-	-	(84,210,691)	0	49,741,491
	Pasrgad Insurance	The Same Category Company	-	-	-	-	-	-	-	-	0	0	0	214,887
	Middle East Shining Sun Brokerage	The Same Category Company	-	10,789	-	-	-	-	-	-	-	(10,789)	0	21,656
	Atiyeh Iranian Management Development	The Same Category Company	-	-	-	-	-	-	-	263	263	0	0	959,180
	Pasrgad Insurance	The Same Category Company	1,257	226,273	-	-	-	-	-	164,254	0	(60,762)	0	0
	IMIDRO	The Same Category Company	-	6,220,721	1,113,859	-	-	-	-	232,410	0	(7,102,170)	0	0
	Partnership of Gam & Gohar Kav Gam Sirjan Companies	The Same Category Company	-	5,496,309	-	-	-	-	-	-	-	(5,496,309)	0	1,538,238
Iranian Samangan Transportation	TAMIDHCO	The Same Category Company	2,627	65	-	-	-	-	-	-	2,562	0	1,517	0
Middle East Industry Efficient Productive Co.	Bank Pasargad	The Same Category Company	-	-	-	-	-	-	-	-	-	-	-	21,352,613
Middle East Shining Sun Commercial	TAMIDHCO	The Same Category Company	-	-	-	-	-	-	-	-	0	0	432,749	0
Jahani Mining & Industrial	Atiyeh Iranian Management Development	The Same Category Company	-	41	-	-	-	-	-	-	0	(41)	58	0
	TAMIDHCO	The Same Category Company	-	323	-	-	-	-	-	-	-	(323)	0	143
Zarand Iranian Steel	Bank Pasargad	The Same Category Company	-	465,550	-	61,675,434	-	162,824,466	-	-	0	(224,965,450)	0	67,222,780
	TAMIDHCO	The Same Category Company	-	31,646	-	-	-	-	-	-	-	(31,646)	0	0
	Fanap	The Same Category Company	-	19,075	-	-	-	-	-	34,323	15,248	0	0	0
	Middle East Shining Sun Brokerage	The Same Category Company	-	927	-	-	-	-	-	-	0	(927)	0	0
	Pasargad Insurance	The Same Category Company	-	79,247	-	-	-	1,088,171	-	64,305	0	(1,103,113)	0	879,516

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Company	Related Party	Type of Association	Trade & Non-trade Receivables	Trade & Non-trade Payables	Advances Received	Long-term Payables	Loans Received-IRR	Loans Paid-IRR	Loans Paid-Foreign Currency	Prepayments	2020-21		2019-20	
											Claim	Debt	Claim	Debt
Middle east Mines Renovation & Development	Bank Pasargad	The Same Category Company	-	-	-	-	15,146,099	-	-	-	0	(15,146,099)	0	6,929,377
	Pasargad Insurance	The Same Category Company	-	9,654	-	-	-	-	-	-	0	(9,654)	0	4,697
	Peysazan Zarrin Pasargad	The Same Category Company	-	167	-	-	-	-	-	-	0	(167)	0	3
	TAMIDHCO	The Same Category Company	-	12,628	-	-	-	-	-	-	0	(12,628)	15,911	0
Ferro Silicon Gharb Pars	Pasargad Insurance	The Same Category Company	-	8,930	-	-	-	-	-	4,058	0	(4,872)	0	8,131
	Bank Pasargad	The Same Category Company	6,373	-	-	-	-	1,630,319	-	-	0	(1,623,946)	0	1,042,483
	Pasargad Exchange	The Same Category Company	348,630	-	-	-	-	-	-	-	348,630	0	0	0
	Atiyeh Iranian Management Development	The Same Category Company	-	392	-	-	-	-	-	50	0	(342)	0	548
	Middle East Shining Sun Brokerage	The Same Category Company	-	-	-	-	-	-	-	-	-	-	-	137
	TAMIDHCO	The Same Category Company	-	4,103	-	-	-	-	-	-	-	(4,103)	0	1,510
Mansaz Abyek	Pars Fararon Engineering	The Same Category Company	1,031	-	-	-	-	-	-	-	1,031	0	3,917	0
	Khatam University Research Centre	Common Board Member	-	-	-	-	-	-	-	-	-	0	68	0
WMI	Khatam University Research Centre	Common Board Member	130								130	0	68	0
Total			836,098	14,632,339	1,146,549	61,675,434	127,899,789	165,542,956	42,389,538	500,291	809,816	412,760,032	455,181	151,889,553
MIDHCO	Bank Pasargad	Common Board Member	-	-	-	-	-	-	-	-	0	0	0	13,332,400
	Pasargad IT & ICT	Common Board Member	-	64,564	-	-	-	-	-	28,948	0	(35,616)	0	0
	Pasargad IT & ICT Infrastructure	The Same Category Company	-	-	-	-	-	-	-	56,287	56,287	0	0	0
Total			0	64,564	0	0	0	0	0	85,235	56,387	(35,616)	0	13,332,400
Total			836,098	14,696,903	1,146,549	61,675,434	127,899,789	165,542,956	42,389,538	585,526	866,103	(412,795,648)	455,181	165,221,953

39.3. Parent Company's transactions

(Amounts in million IRR)

Description	Related Party	Type of Association	Subject to Article 129	Services Purchase	Transfer Loan	Received	Payment	Collaterals
Group's Companies	Pasargad Aryan IT & ICT	Subsidiary-Common Board Member	*	598,760	-	-	-	-
	Pasargad Aryan IT & ICT Infrastructure	The Same Category Company	-	473,609	-	-	-	-
	Pasargad Aryan Support Services	The Same Category Company	-	15,869	-	-	-	-
	Iranian Babak Copper Co.	Subsidiary-Common Board Member	*	-	1,748,510	42,100	177	83,980,000
	Zarand Iranian Steel Co.	Subsidiary-Common Board Member	*	-	6,702,623	565,305	188	281,515,121
	Sirjan Iranian Steel Co.	Subsidiary-Common Board Member	*	-	4,225,567	1,260,184	58,949	147,517,000
	Middle East Shining Sun Commercial Co.	Subsidiary-Common Board Member	*	-	-	-	223	-
	Middle East Meyar Sana'at	Subsidiary-Common Board Member	*	14,273	-	-	389	-
	Iranian Industrial Development & Renovation Construction (MANA)	Subsidiary-Common Board Member	*	-	-	-	486,383	-
	Middle East Mines Renovation & Development Co.	Subsidiary-Common Board Member	*	-	-	-	259	12,058,000
	Butia Iranian Steel Co.	Subsidiary-Common Board Member	*	-	1,894,220	292,838	515	839,536,498
	WMI Co.	Subsidiary-Common Board Member	*	-	-	-	273	-
	Middle East Industry Efficient Productive Co.	Subsidiary	-	-	-	-	59	98,000,000
	Iranian Samangan Transportation Co.	Subsidiary	-	-	-	-	59	-
	Pabdana Coal Preparation Co.	Subsidiary	-	-	-	-	47	-
	Fartak Iranian Research & Innovation Co.	Subsidiary	-	12,870	-	-	47	-
	Iranian Mine and Mineral Industries Construction Co.	Subsidiary-Common Board Member	*	-	-	-	3,000	-
Total				1,115,381	14,570,920	2,160,427	550,568	1,462,606,619

39.4. Final balance of the Parent Company's related parties

(Amounts in million IRR)

Description	Related Party	Type of Association	Prepayments	Capital Prepayments	Trade Receivables	Trade Payables	Other Payables	Dividend Payables	2020-21		2019-20	
									Claim	Debt	Claim	Debt
Pasargad Group Subsidiaries	Bank Pasargad	Common Board Members	-	-	-	-	-	-	-	-	-	13,340,928
	Pasargad Insurance	Common Board Members	-	-	-	-	756,676	-	-	756,676	-	611,615
	Pasargad Aryan IT & ICT	Common Board Members	28,948	-	-	61,193	-	3,371	-	35,616	80,764	-
	Pasargad Aryan IT & ICT Infrastructure	The Same Category Company	-	56,287	-	-	-	-	56,287	-	-	-
MIDHCO Group Subsidiaries	Iranian Babak Copper Co.	Subsidiary	-	-	-	-	2,680,015	-	-	2,680,015	-	-
	Middle East Shining Sun Commercial Co.	Subsidiary	-	-	336,741	0	-	-	336,741	-	285,775	-
	Zarand Iranian Steel Co.	Subsidiary	-	-	262,133	0	-	-	262,133	-	4,535,013	-
	Sirjan Iranian Steel Co.	Subsidiary	-	-	13,096,877	0	-	-	13,096,877	-	7,348,354	-
	Middle East Mines Renovation & Development Co.	Subsidiary	-	-	16,455	0	-	-	16,455	-	-	-
	Middle East Meyar Sana't Co.	Subsidiary	-	-	449,566	0	2,903	-	446,663	-	409,717	-
	Butia Iranian Steel	Subsidiary	-	-	3,128,271	0	-	-	3,128,271	-	798,288	-
	Pabdana Coal Preparation Co.	Subsidiary	-	-	-	90,204	-	-	-	90,204	-	11,051
	Middle East Industry Efficient Productive Co.	Subsidiary	-	-	-	43,525	-	-	-	43,525	-	44,000
	WMI Co.	Subsidiary	-	-	2,365	-	-	-	2,365	-	-	-
	Fartak Iranian Research & Innovation Co.	Subsidiary	-	-	-	-	1,119	-	-	1,119	-	-
	Iranian Industrial Development & Renovation Construction (MANA)	Subsidiary	-	-	454,052	0	-	-	454,052	-	1,968,111	-
	Iranian Mine and Mineral Industries Construction Co.	Group Companies	-	-	3,000	-	-	-	3,000	-	-	-
	Ferro Silicon Gharb Pars Co.	Group Companies	-	-	-	150,254	-	-	-	-	-	30,558
	Jahani Mining Co.	Group Companies	-	-	808	-	-	-	-	808	-	-
	Iranian Samangan Transportation Co.	Group Companies				225				225		
Total			28,948	56,287	17,750,268	345,401	3,440,713	3,371	17,802,844	3,608,188	15,426,022	14,038,152

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40. Capital Commitments and Contingent Liabilities

40.1. Capital commitments from contracts approved on the Statement of Financial Position date are as follows:

	Group					
	2020-21			2019-20		
	Million IRR	EUR	CNY	Million IRR	EUR	CNY
Parent Company:	724,075	-	-	1,466,097	-	-
Sirjan Iranian Steel	515,901	-	-	178,429	15,411,539	-
Zarand Iranian Steel	4,591,786	19,561,141	11,531,748	3,248,680	19,018,099	11,531,748
Middle East Mines Reconstruction & Development Co.	1,269,202	1,007,560	-	1,369,197	1,007,560	-
Iranian Babak Copper	83,029	4,052,363	-	631,266	7,740,546	-
Butia Iranian Steel	8,784,715	-	-	11,796,143	-	-
Ferro Silicon Gharb Pars	1,256,938	-	-	1,612,303	-	-
Middle East Meyar Sanat	55,374	-	-	-	-	-
Construction Management	540	-	-	-	-	-
Middle East Shining Sun Commercial	250	-	-	-	-	-
	17,281,560	24,621,064	11,531,748	20,302,115	43,177,744	11,531,748

40.2. Contingent liabilities on the Statement of Financial Position date

40.2.1. Contingent liabilities include the following items

	Group		Parent Company	
	2020-21	2019-20	2020-21	2019-20
	Million IRR	Million IRR	Million IRR	Million IRR
Contingent Liabilities Subject Article of 235 of Commercial Act Amendment:				
L/Gs Granted to Banks	3,654,666,663	1,924,457,019	2,737,437,054	1,924,457,019
	3,654,666,663	1,924,457,019	2,737,437,054	1,924,457,019
Other Contingent Liabilities:				
L/G for Good Performance & Tender	361,557,878	365,292,425	344,275,453	341,908,792
	361,557,878	365,292,425	344,275,453	341,908,792.00
	4,016,224,541	2,289,749,444	3,081,712,507	2,266,365,811

40.2.2. There are 13 lawsuits filed against MANA Company claiming IRR14,800 million in total, and there are 12 lawsuits in favour of the Company claiming IRR244 million, the outcomes of which are not clear under current circumstances. Another lawsuit has been filed in the Branch 86 by the contractor of Jalal Abad Mine (Tarier Company) claiming damages from ZISCO in the amount of IRR639 billion. Although the court has not passed a verdict in this regard, the amount of IRR380,000 million has been recorded in the account as provision. The case is likely to be concluded in the near future and the managers believe that the outcome of this case shall not impose a great deal of cost on the above provision.

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40.2.3. The amount of IRR241,054 million has been claimed from ZISCO as VAT claims for 2017-18 and 2018-19 years, against which, the Company has filed an appeal. This case is currently being reviewed by the Board of First Instance. Final bill has not been issued to this day.

41. Post-Statement of Financial Position Date Events
No event that leads to adjustment of financial statement items has taken place after the statement of financial position date and until the date of approval of the financial statements.

42. Proposed Dividend
42.1. The Board of Director's has proposed to distribute profits in the amount of IRR14,780,400 million (IRR327 for per share).

The Board of Directors has made this proposal on the basis of liquidity position and capability to pay interest, percentage of distribution in the previous years, whether interest payments in the previous years have been made on time and according to the Board of Director's schedule, profit distribution in the previous years within the legal time limit and transfer of profit to capital via capital increase paid for, from previous years' claims, as well as current laws and regulations and company's future plans.